#### LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 22 March, 1982

Time - 2:00 p.m.

**OPENING PRAYER by Mr. Speaker.** 

MR. SPEAKER, Hon. D. James Walding (St. Vital): Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Finance

HON. VIC SCHROEDER (Rossmere): Thank you, Mr. Speaker, I have a statement I would like to make to the House. Mr. Speaker, on Friday, March 19th, the Federal Government distributed copies of the Fiscal Arrangements Legislation which it will present for second reading in the House of Commons early this week.

The most important provisions of the new legislation are: first of all, replacement of the current 10-province national average formula for calculating equalization payments with a new formula which uses the average taxing capacities of only five of the 10 provinces as the standard for determining payments; and secondly, the elimination of the so-called revenue guarantee component from federal established programs financing payments for health care and post-secondary education.

The EPF cutback was consistent with the announcement which the Federal Minister of Finance made in his Budget in November. The equalization formula change, however, represented a departure from the November Budget proposal. In the Budget the Federal Government had suggested using a single province. Ontario, has the standard for calculating equalization and it wasn't until early February at the First Ministers' Conference on the Economy that Ottawa indicated it might be prepared to move away from that position. However, its intention to introduce legislation to provide for a five-province standard was not confirmed until Friday. Similarly, it wasn't until Friday that we received confirmation that the federal legislation would contain provisions to authorize certain special measures to assist our province and some others. Firstly, a transitional equalization adjustment payment for the first three years of the new arrangements and, secondly, population recovery adjustment payments which represent cancellation of certain prior year equalization adjustments arising out of the 1981 census figures.

While we commend the Federal Governent for the adjustments, our calculations indicate that Manitoba still faces the largest loss in relative terms of any province over the next five years. We now estimate that compared to an extension of the present arrangements, the cutbacks for Manitoba will total 62.9 million in 1982-83; 122.3 million in 1983-84; 172.4 million in 1984-85; 223.1 million in 1985-86; and 248.6 million in 1986-87; for a total over the five-year period of \$828.3 million. These figures exclude the effect of

so-called income tax offsets resulting from the tax changes introduced in the November Budget.

The net figure for Manitoba for the same five-year period, taking tax offsets into account, is \$719.3 million. On the basis of that net figure, we still face a five-year loss equivalent to about \$2,800 for an average family of four. While this is down from the 3,600 originally forecast, it is still more than double the national average reduction of \$1,200 and well ahead of the province with the nextlargest loss, Quebec, at \$2,300.00. Estimates for all provinces are included in a background paper which I have tabled along with the statement I am making. It is important to emphasize that these estimates take into account the transitional equalization adjustment payments provided for in the federal legislation.

As Mr. MacEachen indicated in his statement in Winnipeg on Saturday, these adjustments are now estimated to total 165 million for Manitoba over the next three years; 82 million in 1982-83; 56 million in 1983-84; and 27 million in 1984-85. Those figures are substantial and welcome, but it must be remembered that they are as large as they are because the basic payments onto which they are being added are comparatively low. For example, the Federal Government is now projecting our 1982-83 equalization entitlement including the transitional adjustment at \$431 million. However, without the \$82 million transitional adjustment payment, our basic entitlement under the five-province standard formula would be about \$349 million. That figure can be compared to the most recent estimate of our entitlement for the current year '81-82 under the present system of \$392 million and the most recent estimate of our entitlement for '82-83 under the present system of \$452 million.

Over the last few weeks our government has indicated to the Government of Canada that while we prefer the five province standard to the single province Ontario standard as a basis for calculating equalization, we felt neither was consistent with the principle of equalization, which is to become a permanent part of the Canadian Constitution.

In our view, the formula which presently comes closest to that principle is the full ten-province national average formula which is now in effect and we emphasize strongly that our first preference was to see that formula continued.

I indicated to the House on Friday that there was some possibility that I might meet over the weekend with the Federal Minister of Finance when he was in Winnipeg. Mr. MacEachen's schedule did not permit such a meeting, but it now appears as if we will be able to arrange a meeting in Ottawa in the near future. At that meeting I intend to urge the Federal Minister once again to modify his legislative proposals in order to ensure that Manitobans receive equitable treatment. I remain optimistic that he will give favourable consideration to our position. I will keep the members informed of further developments in the negotiations.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

MR. A. BRIAN RANSOM (Turtle Mountain): I thank the Minister for his statement and for making this information available to the House. It is useful for us, of course, to have at last some accurate information because it now appears evident that the cutbacks as listed in the information in the statement just made by the Minister are indicated to be in the range of \$63 million, whereas just last week the First Minister was saying that they would be at least \$100 million.

It is impossible though to comment on a situation as complicated as this without having an opportunity for study. I can only say that I think it's unfortunate that the Federal Minister of Finance didn't see fit to meet with the Manitoba Minister of Finance over the weekend to discuss an issue as important as this, and in keeping with the government's stated intention to have better relations with the Federal Government, it seems that they are in fact not making great progress in that approach and that although they in a statement indicate there has in fact been a cutback. I note that the Federal Minister of Finance is quoted as saying that indeed there is no cutback at all and that funding is really being increased. I simply urge the Minister, Mr. Speaker, to take a rather tough negotiating stance with the Federal Government to try and see that Manitoba is not treated in a way that no other province is being treated. It is evident from this information that Manitoba is being treated more harshly than any other province and I think that Minister and his government are going to have to take a very tough stance if they hope to protect the interests of Manitobans.

MR. SPEAKER: The Honourable Minister of Energy and Mines.

HON. WILSON PARASIUK (Transcona): Mr. Speaker, I beg leave to table nine copies of the Commission of Inquiry into surface rights in Manitoba. I am just giving nine copies out; this is a xerox copy and in the interests of economy, I'm just going to table nine copies. If there are members who wish additional copies they can contact my office.

**MR. SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

## INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before we reach Oral Questions I direct the attention of honourable members to the gallery where we have three school groups.

We have 15 students of Grade 9 standing of the Ken Seaford Junior High School under the direction of Mrs. Roberta Carrns. The school is in the constituency of the Honourable Member for Kildonan.

We also have 25 students of Grades 5 and 6 standing of the Inkster School. These students are under the direction of Mrs. Phillips and the school is in the constituency of the Honourable Minister of Consumer and Corporate Affairs.

There are 49 students, Grade 9 standing of the Murdoch MacKay Collegiate. These students are under the direction of Mr. Ptashynsky and the school is in the constituency of the Honourable Minister of Energy and Mines.

On behalf of all the members, I welcome here this afternoon.

#### **ORAL QUESTIONS**

**MR. SPEAKER:** The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable First Minister and I would ask him, Sir, whether in view of the government's vocal and highly critical objections to increases in the personal care per diem while they were in Opposition, can the First Minister advise this House whether the new 60 cent increase in daily personal care fees announced of the weekend conforms to his government's posturing of the past four years and to its implied election promise to elderly Manitobans?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, I'd like to think this happens to be something that I have the responsibility for so I'll endeavour to answer it and I would like to thank the Minister to give me the occasion to answer this because it could be misleading the way it appeared in the newspaper. According to the policy that we had before, the cost was 10.75 on December 31, 1981; automatically it would have been 11.25 on January 6, and 11.75 on April 1, it is now 11.35. It went from 11.35 in January for that added three months. It was 10.75 and I think the important thing is the percentage of disposable income. It is now 28.09, had we kept on with the policy without changing the legislation or rescinding the Order-in-Council, they would have retained 26.4 percent instead of 28.9 percent. So. Mr. Chairman, it is based on the estimate of cost-of-living increase and consumer price index. As added information to my friend that's so interested, under their policy they would have retained \$127.90 and they are retaining \$140.04.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, a question to the Honourable Minister of Health, I wonder if the Minister can advise whether this decision will remain in effect after April 1, or whether Cabinet will reverse this decision within the next few days as was the case with his first decision at the 1st of January.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, if we feel that we've made a mistake, we'll reverse the decision. We're not too proud to admit when we're wrong.

MR. SHERMAN: A further supplementary, Mr. Spreaker. I would ask the Honourable Minister of Health whether this decision represents a conclusion to the study that he said he was carrying out to examine all aspects of the application of the personal care per diem, and the staged or phased method that was introduced by the previous government and has, I

might say, been implemented by a number of governments with univeral personal care programs in this country that provided for regular increases, dovetailing with pension increases or whether this is just an interim decision and he is still pursuing that study?

MR. DESJARDINS: Mr. Chairman, we're continually studying our policies. I think I can say without doubt that there will be regular increases and the time to increase, I should not say regular, it won't be any policy like you had before that automatically — it wouldn't be automatic but it would be regular — it will be based, I believe, on the total funds that they are receiving and whatever is left with the people themselves, but we have not reached a final decision on this at this time.

MR. SHERMAN: Mr. Speaker, in view of the fact that the increase is as represented by the Honourable Minister of Health, 60 cents over a specific period of time rather than a \$1 over that equal period of time, can the Minister advise this House whether the historic ratio that was observed by the government of which I was a member, Sir, and by the previous government of which he was a member, the historic ratio in Manitoba whereby personal care pensioner residents have always said that they were prepared to pay their way and always paid approximately 23 percent of the cost of the program and the provincial taxpayer and Treasury picked up the other 77 percent, whether that historic ratio is being preserved or whether it's being distorted under the new rate schedule?

MR. DESJARDINS: Mr. Speaker, this historical ratio has been defined by the member who has just spoken, because I think that in the years the former government, the New Democratic Party government or the one that started this program, first had it covered under hospitalization and I think there were only two increases. There was no historical ratio with a certain amount that was asked to pay — then the former government at that — we're not tied with any historical ratio. We're just more interested in making sure that the people have enough, that they retain enough money to lead a fair life in their declining years.

MR. SHERMAN: Mr. Speaker, would the Honourable Minister not concede that historical ratio was designed specifically to do that to ensure that they had sufficient disposable income and that any examination of the disposable income tables over the last nine years since the program came into effect will demonstrate that ratio has preserved that, that it's not necessary to distort that ratio.

MR. DESJARDINS: The ratio has changed quite a bit. In 1974-75, disposable income was 32.1 and in 1978-79, 25; so if the member would consider that keeping the ratio, he's got a funny way of keeping things.

MR. SHERMAN: Mr. Speaker, I would ask the Honourable Minister of Health to check his records and check his tables. I'm talking about the ratio of support for the program, a program which now costs approximately \$130 million a year and which at its outset cost about \$25 million a year. The residents always carried

about 22-23 percent of that load and always expressed a desire to do so as long as they could do so, and if Provincial Treasury picked up the other 77 percent.

MR. DESJARDINS: Mr. Speaker, I think we have an example of what the difference is between the two governments. My friend just explained that in his days they were interested in what portion they would pay. We're more interested in what kind of portion, what will remain with the people to see if they can get along, and that might vary at certain times.

MR. SHERMAN: Mr. Speaker, one final question, would the Minister not concede that the ratio and the tables were always structured so that that disposable income kept increasing. There might have been one or two anomalies, when because of things the Federal Government did it increased at a more substantial rate or level than would have been normally the case. But we couldn't account for specific provisions such as the Federal Governments introduction of the additional \$30 a month bonus in January of 1980, which was a Federal election campaign promise. On the basis of OASGIS Manitoba Supplement for the elderly, etc., those ratios and those rates were always maintained and structured in such a way to ensure that over a given year the disposable income increased over the previous year.

Would the Minister not concede that point.

MR. DESJARDINS: Mr. Speaker, I'm not ready to concede anything. My honourable friend is talking about certain ratios, this is the explanation, I'm not questioning that. I'm saying that when we first ensure the personal care home, I think that in the years that we were there I think we started at 4.50 and when we left office it was 5.75, and that was, in the years we were there, about five years. And from 77-78 the first increase of the Conservative Government was 5.75 to 6.24, then to 6.94, 7.81, 8.66, and 10.38, all in four years. So you can't say that there was a pattern established. There had not been a pattern established. The pattern established, which you had the right to do when you had the mandate, but we don't have to buy this historical ratio, it doesn't fit with our plans at all.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I direct a question to The Honourable Minister of Energy and Mines. Sometime in December the First Minister was quoted that Alcan should complete its five million site feasibility study by next February. My question to the Honourable Minister is, February has come and gone, can he report to us whether that site study is nearing completion, or can he offer particularly to my constituents some idea of when those initial feasibility studies that the First Minister referred to will be completed.

MR. SPEAKER: The Honourable Minister of Energy and Mines.

MR. PARASIUK: As I've said later, more recently in the House, Mr. Speaker, Alcan and the Province of Manitoba jointly decided to conduct an indepth joint review of all aspects of the aluminum smelting opportunities and possibilities in Manitoba without any preconditions. And that means that all aspects are being reviewed, fabrication, processing, power aspects, site selection aspects, and while that is going on the work on the specific site analysis has been slowed down somewhat. It was a bit delayed anyway, and that, the internal joint review, takes precedence over the others right now, Mr. Speaker.

MR. ENNS: Mr. Speaker, the matter of the Alcan potential site is of tremendous interest to my constituents. I know the honourable member would appreciate that. And I know that the honourable members opposite got a little upset when they didn't agree with their advertising policy and they started talking about all the negotiations that are taking place, with Reynolds and with Kaiser and with other aluminum companies. I would like to know, is the government currently negotiating with any other aluminum company other than Alcan for the siting of a plant in Manitoba?

MR. PARASIUK: Mr. Speaker, I don't think its any secret that the Province of Manitoba is indeed discussing possibilities of aluminum smelters in Manitoba with other aluminum companies. There's no reason why there couldn't be the possibility of more than one aluminum smelter. Mr. Speaker, in that respect that's an ongoing process that frankly was not pursued despite recommendations to the contrary, by advisers to the previous government, Mr. Speaker.

MR. ENNS: I don't want to break the rules of the House and repeat questions. I'm well aware, in fact it was part of discussions that involved several aluminum interests at the time this administration was wrong. My specific question is, is the Minister now carrying out specific discussions and negotiations with any other aluminum company other than Alcan?

MR. PARASIUK: Mr. Speaker, we are pursuing discussions with Alcanin terms of the joint study that we announced at the end of January. The government is also discussing the aluminum smelting business and the aluminum industry with other aluminum companies that may lead to discussions, it's hard to say at this particular stage, Mr. Speaker.

MR. ENNS: Mr. Speaker, it leads to a further question, have they specifically pursued any of the negotiations with the other companies that were contacted by the previous administration with respect to aluminum plant production here in Manitoba.

MR. PARASIUK: Mr. Speaker, we are, as I think I have said twice already, we are having discussions with other aluminum companies. That's the third time, yes, we are having discussions with other aluminum companies. We haven't precluded Alcan from talking to anyone, Mr. Speaker, in the world, and Alcan certainly hasn't precluded our talking to other aluminum companies about the aluminum business, Mr. Speaker.

MR. ENNS: Well, Mr. Speaker, I direct a question to The Minister of Economic Development on another

subject. Yesterday or the other week, Thursday or Friday, having completed the Estimates on Parks, the Minister of Natural Resources did not indicate to us that the government had acquired the somewhat deteriorated assets of the El'nor Hotel. Deteriorated I say because of the fire. Since then through news reports I understand the government now owns the assets of the El'nor Hotel in the Whiteshell Park at Falcon Lake.

My question to the Honourable Minister is, what plans has the government for the El'nor Hotel and Motel in the Whiteshell. Is this government contemplating getting back into the hotel business for which they have such a great track record?

**MR. SPEAKER:** The Honourable Minister of Economic Development.

HON. MURIEL SMITH (Osborne): Mr. Speaker, I'd like to take that question under advisement.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. ROBERT BANMAN (La Verendrye): Thank you, Mr. Speaker, I have a question for the First Minister. I would ask the First Minister, in light of his election promise that he would improve the quality of life in small towns and rural communities in this province, and in light of his election promise that he would ensure that small businesses stay in business, I wonder if he could confirm that part of that election promise will mean a 21.8 percent increase for all small businesses in Steinbach for school tax purposes.

MR. SPEAKER: The Honourable First Minister.

MR. HOWARD R. PAWLEY (Selkirk): Mr. Speaker, in respect to the question posed by the Honourable Member for La Verendrye, the reference to small businesses, one that he is taking out of context, the reference was made to indeed the province confronted by Manitoba small business arising from monetary policies that indeed were supported by the previous government in the Province of Manitoba, and indeed as well initiated and promoted by the Trudeau government in Ottawa. As a result of our opposition to those interest rate policies and the manner that they affected Manitoba's small business, we introduced the Interest Rate Relief Program, Mr. Speaker, not that we anticipate that each and every small business will be prevented from entering into bankruptucy given circumstances, but to assist small business that are going into bankruptucy solely due to the runaway monetary policies that are commonly known as Reaganomics south of the Border in policies indeed that, as I mentioned earlier, are endorsed and fully supported by conservative fiscal economists and political conservatives.

MR. BANMAN: Well, Mr. Speaker, in light of that answer I would ask the First Minister if he believes a 21 percent increase in taxation for school tax purposes on small business will help that business survive.

MR. PAWLEY: Mr. Speaker, in further response to the

Honourable Member for La Verendrye, I wish that the Opposition would get their act together.

On one hand, Mr. Speaker, we have been condemned for increasing spending, in view of the present fiscal situation and continue on to the reasonable level of public service.

On the other hand, Mr. Speaker, from practically each question period, we have been asked questions by the Honourable Member for St. Norbert and now by the Honourable Member for La Verendrye, to increase within three months, four months of our election spending at a very, very major way beyond indeed even past practice in regard to municipal assistance. We are doing our best, given the present financial situation, but I urge the Opposition to get their act together. You can't on one hand restrain spending and the other hand do, as it has been demanded by honourable members across the way, increase radically spending in other areas.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

MR. LYON: Mr. Speaker, in view of the fact that the First Minister is confirming by indirection if not by forthright statement which we are coming not to expect from him or his colleagues, that tax imposed on small business are being increased as a direct result of their policies and education, could he tell the House, Mr. Speaker and the people of Manitoba, how that new broken promise, how that conforms with the statement that he made to the Brandon Chamber of Commerce only last week when he said and I quote from his speech notes, "First and foremost the new government feels a profound and fundamental obligation to fulfill its election commitments in an age" still quoting, Mr. Speaker, "in an age of cynicism about government and the political process, we think it is especially important to keep faith with Manitobans."

Mr. Speaker, would the First Minister, tell us how he is keeping faith with the people of Steinbach and the promise to keep taxes down?

MR. SPEAKER: The Honourable First Minister.

MR. PAWLEY: Mr. Speaker, in answer to the Leader of the Opposition, this is a government that indeed intends to keep faith with the people of Manitoba. We received a mandate to provide government over a four year period. During that period of time, it is our intention to do what we can within the limited powers of provincial jurisdiction to turn the economy around in Manitoba and Mr. Speaker, to reverse Conservative economic policies that as I mentioned before were supported provincially and federally, so indeed we can undertake the task of insuring that there is less burden upon the homeowners, the farmers, the business people in Manitoba.

But, Mr. Speaker, the Leader of the Opposition should not think that Manitobans are so unreasonable as to expect that within four months, four months of the election of this government, that we would be able to erase municipal taxes or indeed even to reduce the increase in municipal taxes in Manitoba. The people of Manitoba are much more reasonable indeed than

that which the Leader of the Opposition gives Manitobans credit for.

MR. LYON: Mr. Speaker, in view of the fact, that last year under the new financing arrangements brought in by the then Conservative Government with respect to education financing in Manitoba which saw something in excess of \$70 million extra from provincial funds put into education, which, Sir, resulted in either education costs being frozen or reduced in every school division in Manitoba with the exception of five. Can my honourable friend, the First Minister, please tell the House how he is keeping his election promise to the people of Manitoba which in his favourite pamphlet said under the housing section, the burden of education costs which often fall unfairly on low income homeowners would be shifted away from property taxes. Would he mind telling us. Mr. Speaker. how his programs thus far have lived up to that phoney promise that he made in the election?

MR. PAWLEY: Mr. Speaker, the Honourable Leader of the Opposition last week suggested I was acting like a wet hen. I would ask you to judge who's acting like a wet hen today?

Mr. Speaker, I recall a promise, a promise that was made by the now party that sits in the Opposition benches, in 1977 that they were going to reduce education taxes in Manitoba. I recall, Mr. Speaker, 1977-78, 1978-79, 1980-81 in which that government virtually froze assistance to the municipalities and to the school divisions in Manitoba. Then, Mr. Speaker, the yearprior to the election, they increased by some \$70 million financial assistance to the school divisions in the Province of Manitoba.

Mr. Speaker, this government does not intend to perform in that way. This government intends to continue a pattern of assistance to municipalities and school divisions on a reasonable basis whether it's a year after the election or the year before the election.

MR. LYON: Mr. Speaker, the question is a very simple one, my honourable friend can keep shillying and shallying and flimming and flamming and shaking his feathers all he wishes, but the glue has stuck, Mr. Speaker. When is the First Minister going to keep his promise to the people of Manitoba which he repeated again last week in Brandon, that in this age of cynicism about government and the political process, we think it is especially important to keep faith with Manitobans. Could he tell us how he is keeping faith with the taxpayers of Manitoba with respect to 21 percent increase in education costs?

MR. PAWLEY: Mr. Speaker, this is a government that is indeed is keeping faith with Manitobans and that can best demonstrated by the fact, and my reference was in that speech that the Leader of the Opposition is referring to in Brandon, the fact that we have proceeded with an Interest Rate Relief Program insofar as farmers, business people and home owners are concerned in the province; that we are proceeding with a Main Street Manitoba Program and that we are proceeding with the development of a Manitoba Oil and Gas Corporation to ensure greater return, greater return to Manitobans for their natural resources that

properly belonged to Manitobans and that the Minister of Agriculture, very, very shortly, Mr. Speaker, after a great deal of consultation will be announcing a Beef Stabilization Program insofar as Manitobans are concerned

Mr. Speaker, I think Manitobans, in fact would forgive us in view of the fiscal situation left for us by the previous government, aided and abetted by the Federal Government, if we had ignored those election commitments. But, Mr. Speaker, we intend to maintain faith with the people of the Province of Manitoba.

MR. LYON: Mr. Speaker, can I take it then that this House and the people of Manitoba should pay just as much attention to the statement that has just been made by the First Minister in its alleged fulfillment of his promise, in an age of cynicism about government and the political process — we think it is especially important to keep faith with Manitobans. Is the statement that he just made as accurate as the statement that he made in the same speech wherein he said, yet Manitoba is still going to suffer at least 100 million in Federal cutbacks which figure has been cut by a third today by his own Minister of Finance?

Mr. Speaker, when he's answering that question would he mind telling us when he's going to get his act together running the Province of Manitoba?

MR. PAWLEY: Mr. Speaker, in reply to the Leader of the Opposition it gives me opportunity to publicly commend my Minister of Finance because I say to the Leader of the Opposition, my Minister of Finance has indeed done a better job in regard to negotiating a very difficult situation with the Federal Government than I would have thought possible as a result of estimates that we had received some three weeks ago in regard to discussions that had taken place.

Mr. Speaker, in regard to the general question by the Leader of the Opposition, I have every confidence that at the end of our four year term in government and after assuming government during very difficult economic and financial circumstances, that Manitobans will judge this government on a better basis as to its maintaining faith with the people of Manitoba than indeed was the case with the previous administration.

MR. LYON: Mr. Speaker, while listening to the declamations of the First Minister, I of course approve as do all members on this side of the House of the right of the people of Manitoba to make that judgment and we suggest that it may perhaps be made sooner than four years in the light of the faltering stance of this government in its first few weeks and months in operation.

That being the case, Mr. Speaker, would it not be agreeable to the First Minister to assess as well in that statement that he would like it to be a fair and equitable and honest appreciation of what this government has done rather than one based on phony election promises such as we've been reading to him this afternoon and broken promises.

MR. PAWLEY: Mr. Speaker, really it puzzles me as to what question the Leader of the Opposition has posed. He appears to be making for the fourth or fifth time a statement that is quite similar, one to the next.

Mr. Speaker, the Leader of the Opposition has not made his point; he is not successfully making his point during the question period. Manitobans will judge and they will judge very well at the end of the four year period in which we have been in government whether we have lived up to the mandate which we received and we respect from Manitobans.

MR. SPEAKER: The Honourable Minister of Energy and Mines.

MR. PARASIUK: Mr. Speaker, I wanted to take the first opportunity within the same question period to clarify a statement that I had made in response to questioning by the Member for Lakeside.

The previous government was advised by his advisors to meet with other aluminum companies prior to signing any types of agreements with the aluminum company, Alcan, in order to have a better perception of what the aluminum industry was all about and to determine whether in fact there were different perspectives and strategies that other companies might have. That was not done, Mr. Speaker, but it is true thattowards, I think in September of 1981, for reasons I don't know, there were certain people in the previous government that did contact other aluminum companies to start up discussions and I just wanted to clarify that for the record.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. RANSOM: Mr. Speaker, my question is for the Minister of Energy and Mines. Somedays ago I asked a question of the Minister whether or not he concurred with the action of Manitoba Mineral Resources in selling three oil wells that they had an interest in. Does the Minister agree with that action?

MR. PARASIUK: Mr. Speaker, I'm looking into that. I thought that related to some activity undertaken by MMR during the New Democratic party term of office since December 1st. I gather it relates to some decision taken by MMR during the Conservative term of office. I haven't had a chance to look into that completely, Mr. Speaker, and I don't like making a comment off the top of my head because I do know that the Conservative government when in office tried to sell off Autopac. I do know that; I do know that they tried to sell off ManFor, Mr. Speaker; I do know that they tried to sell MacKenzie Seed; I do know that they sold off Morden Fine Foods, the Lord Selkirk and a number of other things like that so I hazard to pass comment on what the previous government did with respect to any activity.

MR. RANSOM: Mr. Speaker, now that the member is a member of the Treasury Board and is part of that government over there and he was asked the question several days ago whether or not he concurred with that action, would the Minister undertake to spend a little bit of his time and review the situation and answer the questions that are put to him in this Legislature?

MR. PARASIUK: Mr. Speaker, when it comes to my

assessing actions undertaken by the previous Conservative government in its term of office with respect to a whole set of activities, that could be done. One could spend a lot of time going through all the actions of the previous government as related to trying to sell off Autopac, bringing in outsiders to do reviews of Autopac, butthat would be a backward-looking exercise. This government wants to look to the future. They want to bury the past; they want to spend time looking at our potential, looking at our opportunities for development, Mr. Speaker, and spending our time undertaking those efforts rather than spending most of our time trying to look back into the past. We are a forward-looking government, Mr. Speaker, even though we have a backward-looking Opposition.

MR. RANSOM: Mr. Speaker, at a time that the government is holding out great promise for their new Crown oil corporation, it would seem to be of considerable interest to look at the eight oil wells that the province does have an interest in now.

A supplementary question to the Minister, Mr. Speaker, would be: Does the Minister plan to leave the fair and equitable royalty system and taxation structure on the oil industry in place which was in place when they assumed government last November?

MR. PARASIUK: Mr. Speaker, we have been meeting with representatives of the oil industry. It's our intention, in light of the new pricing arrangements to review all aspects of royalties and incentives to determine our position vis-a-vis other provinces. We take into account the fact that our situation in Manitoba is, I think, more difficult than the situation in Saskatchewan and Alberta, but I can't make a blanket commitment at this particular stage but it is certainly our intention to review the situation, to consult with the industry, to consult with other people involved in order to develop a long-term strategy and approach to oil and gas development in Manitoba especially with a view to ensuring that there is the greatest possible benefits to Manitobans and especially that those benefits are retained within the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. AL MACKLING (St. James): Mr. Speaker, the other day — I believe it was Thursday — the Honourable Member for Lakeside indicated in a statement and then in a question that he had received some correspondence or he was aware of some correspondence in connection with the Garrison project from the State of North Dakota from an official there. I indicated to him that I had no knowledge of such correspondence and he suggested I had better look. We have made an exhaustive inquiry and there is no correspondence from the State of North Dakota in respect to that and I would like the honourable member to send me a copy of the correspondence he says he is knowledgeable about.

MR. SPEAKER: The Honourable Member for Arthur.

MR. JAMES E. DOWNEY (Arthur): Mr. Speaker, in view of the fact a fairly major announcement was

made today by the Federal Government re: the initial prices of Wheat Board grains, does the First Minister or did the First Minister and his Minister of Agriculture have input into the establishment of the development of the initial prices that were just announced today?

MR. SPEAKER: The Honourable First Minister.

MR. PAWLEY: Mr. Speaker, if indeed that has been the practice in the past, then I would assume the Minister of Agriculture would have, indeed, had input. I have to take the question as notice for the Minister of Agriculture.

MR. DOWNEY: Again, Mr. Speaker, in view of the fact that the Minister is concerned with the farm community or at least told us that prior to the election, and in view of the fact he is working on a good working relationship with the Federal Government, is he satisfied with those prices that were announced this morning?

MR. PAWLEY: Mr. Speaker, in answer to the question from the Honourable Member for Arthur, in view of the projected drop in regard to net farm income in 1982 in Manitoba, one cannot be satisfied with the prices that farmers are receiving in regard to grain. It is for that reason, Mr. Speaker, that we intend to indeed be proceeding with a resolution in this House pertaining to the Crow rate. I would hope that the honourable members across the way would add their voice, Mr. Speaker, in providing to the Federal Government a very clear and decisive voice from this Legislature that we oppose the change in the Crow rate adding a further burden on to the farmers of this province pertaining to transportation costs in addition to the extra costs that they are now paying in regard to energy and interest costs.

MR. DOWNEY: Mr. Speaker, in view of the fact that the First Minister of the Province of Manitoba has his priorities screwed up where, in fact, he's introducing a resolution dealing with the Crow rate instead of introducing a resolution that would support the incomes to the farmers, in fact, when they're losing some initial prices when it comes to oats and barley. I would challenge, Mr. Speaker, the First Minister to straighten out his priorities and forget about the political hay he's making on the Crow rate and deal with the real problem that the farmers are facing and that is, net return for their efforts that they are putting into the farm community.

MR. PAWLEY: Mr. Speaker, in response to either the statement of a nonpolitical nature by the Member for Arthur, or the question which was hard to discern but may have very well been there, I want to say to the Honourable Member for Arthur, we will not be chased away from taking a firm position in respect to the Crow. Members of the Opposition may indeed wish to be wishy-washy in regard to the Crowissue; we do not intend to be. If, indeed, the honourable members want to ensure a fair deal for the farmers of this province, they will deal with the issue that is very much at hand, and that is the threat of considerably increased costs to the farmers arising from extra transportation costs.

MR. DOWNEY: Mr. Speaker, in view of the fact that the First Minister has direct control of the education tax that, by the way, increased by 21 percent to the farm community — he is the provincial First Minister — his responsibility for direct taxation and increases to those farmers. Why, Mr. Speaker, is he so concerned about the increase in freight rates when he has no control over them, but does have in fact control over the taxes which are directly on tops and the backs of the farmers of this province? Where are his priorities, Mr. Speaker?

MR. PAWLEY: Mr. Speaker, a further answer the Honourable Member for Arthur. When the Member for Arthur indeed was the Minister of Agriculture in the Province of Manitoba, he requested a study to be done from some very noted expertise at the University of Manitoba, the Agricultural Department, and I do applaud the Honourable Member for Arthur for ensuring that study be done. But in view of the conclusions in that study as to the loss to Manitoba farmers, introduced by a removal of the Crow rate, Mr. Speaker, I find it somewhat mysterious that the Honourable Member for Arthur would now adopt the position that he is adopting in this House. It would not clearly support that objective study that was done as a result of his own request as Minister of Agriculture in Manitoha

**MR. SPEAKER:** Order please. The time for Oral Questions having expired, Orders of the Day.

# **ORDERS OF THE DAY**

**MR. SPEAKER:** The Honourable Government House Leader.

MR. ROLAND PENNER (Fort Rouge): Mr. Speaker, I would like to first of all announce a meeting of the Law Amendments Committee for Thursday, April 1, 1982, to consider at committee stage some of the bills which have passed second reading.

I would now move, seconded by the Honourable Minister of Finance, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted by the Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Flin Flon in the Chair for the Department of Northern Affairs and the Honourable Member for The Pas in the Chair for the Department of Natural Resources.

# **CONCURRENT COMMITTEES OF SUPPLY**

# **SUPPLY — NATURAL RESOURCES**

MR. CHAIRMAN, Harry M. Harapiak (The Pas): We'll call the Committee to order. We're on Wildlife, page 100, 9.(a)(1) Salaries—pass; —(Interjection)—9.(a)(1)—pass; 9.(a)(2)—pass; 9.(b)(1) Salaries—pass—the Member for Inkster.

MR. DON SCOTT (Inkster): I'd just like to get a few comments on and I'll keep it relatively short so the Member for Minnedosa doesn't leave. I've got to try and pick up from where I was in my thought pattern the other day, but — I can only speak for half-an-hour.

Mr. Minister, I would like to make some points that I have of concern towards the wildlife management in general and I'm afraid in some areas I think that we're more geared, at least the department is more geared, towards the protection of game species themselves and in particular some species over others at different times — or perhaps furbearing species as well — more so than they are for the protection of the general ecology. I'm thinking in particular of programs in the past towards wolves, coyotes, cats as well and other predators and those that are classified as predators and just the whole idea of still maintaining on our books the whole concept of predators and classification of animals for predators where they pay people to destroy. That gives me some anxieties of my own towards the whole idea of protecting one species at the expense of others.

One classic example I think we can look up in the Saskeram marsh areas and in the Saskeram, we have problems with management of water levels. We have management of water levels for the perpetuation of waterfowl geared mostly towards producing waterfowl for hunting purposes and writing off, in many cases, from our water management techniques, the fish that are caught upstream particularly in the winter months when the ice freezes down and kills the fish out. You also have with the quick reduction in water levels the problems with many fur bearing species such as beaver, muskrats in particular, many of them are left high and dry and that kind of habitat mismanagement rather than management, I would say, does more harm in many instances than it does good and it's cultivation of a particular species at the detriment of several others.

I think we should be starting to take a more holistic attitude towards these and not going after some species to the detriment of others. We have examples of, I guess it comes under Wildlife Management, and that is hunting in particular at the Beaudry Park where it has been opened up now for bow hunters, and a park so close to the city that has a number of people, and with access to an area that has such classic river bottom land that it's quite disturbing and it's keeping out quite a few people as well from walking through the area, just on pleasant nature hikes or whatever they may be there for — when there are bow hunters sitting up trees all camouflaged up with their bows sprung to some nonsuspecting deer coming along to a salt lick or whatever may have been set up.

On the east side of Lake Winnipeg, generally in an opening area, I wonder if you could confirm whether there has been a hunting season or any special licences given to the hunting of caribou on the east side, this is a lower herd, on the ease side of Lake Winnipeg.

MR. MACKLING: Mr. Chairman, the department would have to check that.

MR. SCOTT: As a back up information piece I understand that about three years ago there was a fairly substantial hunt in the area approved by the regional

manager. I don't think that the hunt alone was responsible but I believe that certainly that herd is in a great amount of danger now, both from increased access due to the road, and increased hunting pressure through illegal hunting as much as legal hunting perhaps. But I would like it if you could get back to me on that and give me some clarification on that point.

I think another point I'm wondering is how much effort has been made in the lower part of Manitoba. In the far north I understand, and I was in Tadoule Lake just after Mr. Ransom was there a couple of years ago, when he was the Minister, I was there the same weekend as he was. —(Interjection) — Some of the people in the community I was speaking to really weren't quite sure why he was there. I tried to explain to them why he was there, to a fair degree of success I believe. —(Interjection) — The Member of Emerson was there as well? And I didn't realize either one of them were there. I don't think that's any great matter of credit for the Member of Emerson that he was there and I didn't know he was there either.

Anyway, we have established a co-operative effort, if you wish, between the Native people in the north and the management of the Kaminuriuk Herd. I'm wondering has there been anything similar to that done in the southern part of Manitoba moving down say just down to the 52nd parallel or so. How much co-operative mechanisms have been established to work alongside the Native community?

**MR. MACKLING:** Mr. Chairman, I'm advised that there's been high degree of co-operation with the Native communities in connection with the development of these programs.

MR. SCOTT: So there has been contacts made with the Keewatin Tribal Council and also Four Nations Confederacy?

MR. MACKLING: Yes, Mr. Chairman.

MR. SCOTT: One of the last parts, or I've got a couple of points left I guess, on one instance of Oak Hammock Marsh, the hunting area permitted around the marsh has increased fairly substantially, about three years ago where they moved the permissible hunting territory in that much closer to the marsh, I'm wondering if there's any consideration to a revising of this policy, given in particular, that this area has moved in a relatively short period of time with the assistance of the department, with the assistance of outside organizations such as the Manitoba Naturalists Society, who have been taking a very active part in promoting the use of this area and in conjunction with the department, has offered interpretive services there during the last couple of summers.

The area has made itself international headlines as one of the top birding areas in North America and it's only really been known, outside of a very small group of people, for the past three or four years as we're starting to expand it into a major tourist attraction for people outside of the Winnipeg area and outside of even Manitoba itself.

MR. MACKLING: Mr. Chairman, are those all the remarks now? Shall I answer them? I'll wait and

answer all of them.

MR. SCOTT: That was all I had on Oak Hammock, if you wish to answer on Oak Hammock.

**MR. MACKLING:** I'd rather — I have a number of comments on it.

MR. SCOTT: Okay, the other concern I have is the changes in The Wildlife Act the last time around where Sunday hunting is no longer prohibited. I appreciate fully that there were some members from the Opposition last week asking for this to be liberalized further yet, but it is my understanding that the Act no longer prohibits Sunday hunting but is simply, the province can be divvied up into areas perhaps and more specifically, I'm not even sure if it's just an Order-in-Council or if it's a Ministerial decision on his own whether or not he can permit Sunday hunting in more areas of the province. I would like to perhaps have some expression of your attitude, Mr. Minister, as a new Minister towards the hunting particularly south of the 53rd or whatever, on Sundays.

MR. MACKLING: Are those all the questions? Mr. Chairman, I'll go in reverse order if I can then fairly quickly. In respect to Sunday hunting, I think we had a discussion about this matter earlier and I had indicated that I believe the general consensus of the people is that Sunday hunting is not necessary. My personal view is that what we should do is strive to provide more opportunities for people throughout the week and on Saturdays to be able to enjoy the outdoors and that on Sundays, we should be able to give the game a break and give them a rest.

However, observation was made in connection with very remote areas and I indicated I'm not dogmatic. I certainly would be prepared to look at that, but that could be dangerous because it might be the thin edge of the wedge, but certainly I'm not blind to looking at something like that.

Now in respect to the Oak Hammock area, yes, it is a very exciting area from the point of view of naturalists and conservationists. There were 28,000 people out at Oak Hammock last year, I'm advised. In respect to the changes in hunting in the periphery or the boundary, I'm advised by my staff that because of the severe depredation of crop in the area, there was some increased hunting allowed to reduce that.

In respect to the concerns about hunting in the Nopoming area, there is no hunting allowed in the park, no caribou season allowed in the park. I haven't got the information on what happened three years ago.

In respect to concern about predators, there is no predator control Act now. The provisions that are needed in respect to predators that are found within The Wildlife Act itself. Predators are dealt with, or at least individual animals that become a problem and are considered predatoria of game at a certain stage because of overnumbers in a certain area, are dealt with on a pragmatic basis and there is no specific program to wipe out certaintypes of animals because they are of themselves a problem to other forms of animal.

If there is an overabundance of a certain species

and they're creating a problem, then that problem is addressed indivually and that is the manner in which these things have been dealt with by the department.

MR. CHAIRMAN: The Member for Emerson.

MR. ALBERT DRIEDGER (Emerson): Mr. Chairman, I have a few questions that I missed the other day. One is related to the fact of issuing licences to our senior citizens. I think at one stage of the game there was some discussion within the department, and certainly within our government, to possibly allow our senior citizens to obtain Big Game Licence without having to pay for them. At the present time, we allow them to have a Fishing Licence without payment and I am wondering whether the Minister could possibly comment on that.

MR. MACKLING: Mr. Chairman, the only provision now is that an Upland Game Bird Licence is available to a senior citizen without cost. If the honourable member is making that a serious proposal, I would be interested in it. It would involve some cost, I don't know how much that would involve, but I indicate again that I am not enthusiastic or non-enthusiastic about it. I think you have look at it from the point of view of what it might involve from the cost point of view and given our tight financial situation, we may not feel that's a high enough priority.

MR. DRIEDGER: Well, I would make it as a serious suggestion. I think the senior citizens that are over 65 that are big game hunting is a very limited amount. I wouldn't have the figure, but just looking around myself in my own community, there isn't that many. I don't think it would be a dramatic thing on the financial aspect of it, and I think it would be a very nice gesture for senior citizens.

Further to that, there was some areas where under the draw system for various big game licence draws, provision was made on a trial basis, I think around the Spruce Woods area where people who had land there, owned the land, that they were allowed to buy a licence to hunt on their own land, aside from the draw. That was done at two places, I am told that possibly two areas where it was being tried, and I was wondering if the Minister could probably comment as to whether this program is going to be expanded or not? I think it would do much to enhance the relationship between the farmers and hunters generally if this was allowed.

What happens from time to time now is that the farmers who have to put up with the game, things of this nature, when hunting season comes, even if they apply and don't get drawn, other people come and try and hunt on their land, ask permission, and the farmer who has been putting up with the wildlife all year long and maybe taken a very keen interest in making sure that everything is fine, comes time to hunt, he is discriminated against and can't hunt. I would suggest that the program possibly be expanded but I would like to have the Minister's comments on that.

MR. MACKLING: Mr. Chairman, I am advised that at the present time, for this season, there is a special landowner licence that provides for the owner of the land to obtain a licence to hunt on his land outside of the draw in the Spruce Woods Provincial Park and the area contiguous to Riding Mountain National Park. The Duck Mountain Park periphery or the area is being considered, but there are some special problems involved in that and the department is looking at that will be considering that later, but there's no provision for this year.

MR. CHAIRMAN: The Member for Minnedosa.

MR. DAVID R. (Dave) BLAKE (Minnedosa): Mr. Chairman, yes, I think the licensing of the landowners has worked out very, very well. I think there was some 200 available around Riding Mountain and I think there was only a hundred and some odd of them that took advantage of it. How successful they were in getting their animal I don't know, but of the the experience of the people in the area, there was no difficulty in obtaining permission to hunt there even though they might have had a permit on their own for their ownland. It seemed to work out very, very well. There was a good relationship with the hunters and the landowners there.

Mr. Chairman, I spoke of this before and I know there may be another area where we could nail it down, but I just wanted to expand a little further on what I said the other day about elk ranching. We talked about the one that's been authorized up north and I've had some inquiries over the weekend for an area close to the Riding Mountain Park, if some Crown Land were available and what steps they should take. There are some people in my area that are very interested in establishing a, I guess you would call it, commercial operation. I don'tknow how else you might refer to it. —(Interjection)— I understand we have an elk ranch in Riding Mountain National Park, but that's an establishment for dining and recreational accommodation other than hunting.

Apparently, there has been some progress made in Alberta and Saskatchewan in allowing this type of operation and the Minister's staff here may have some information on it and he may be able to give me a little more information that I could take back to my people and indicate what the feelings of the department are maybe on leasing some more Crown land up in that particular area to allow for this type of a venture.

MR. MACKLING: Mr. Chairman, I think we did have some questions on this matter before and I indicated then that the permit that was granted for the elk ranching in Manitoba is more or less of an experiment in respect to the breeding in captivity of wild elk. There is no provision for the slaughter of these animals or the sale of meat. I'm given to understand that in our sister provinces, similar conditions prevail. There is not slaughtering of the animals; they're being reared in captivity for re-population in other areas, so that I wouldn't give any encouragement to the concept of the raising of these animals for table food as such.

**MR. BLAKE:** Mr. Chairman, what difference would the Minister see in using the elk on an operation such as that as compared with buffalo?

MR. MACKLING: Mr. Chairman, we don't have bison

roaming the plains anymore. They're not a game animal that is hunted and there is a major distinction therefore between bison that are not available for hunting and elk that are.

MR. BLAKE: Buffalo meat is available for the market.

MR. MACKLING: Because, Mr. Chairman, buffalo are no longer in a wild state roaming the plains or being hunted, they are considered an animal that's reared exclusively in captivity now and therefore are considered, when the herd is too large, for slaughter, but it would be the reverse! think if bison were extensively roaming the wilds, they would probably be preserved as an animal to be hunted and not domestically slaughtered for food.

MR. BLAKE: Would the Minister know or would any of his staff know that the venison, for example, that's provided in restaurant menus in Europe; is that raised commercially or is that just wild game that's brought in by poachers or game hunters?

MR. MACKLING: Mr. Chairman, there are various parts of the world in which you will find very substantial harvesting of wild animals and the meat sold on a regular basis as table meat. One of the areas that I've read about where there is a very substantial industry is in the Balkan countries of Istonia, Latvia and Riga, where an extensive amount of deer particularly, venison, is harvested for commercial sale. However in North America, we have endeavoured to preserve the animals for recreational hunting rather than table fare and I think the farmers would be a little bit concerned if we made a very substantial effort, invested money to encourage competition against red meats that are produced by our farmers.

MR. BLAKE: Mr. Chairman, I don't think you would have to invest that much money. I think the people that want to get into this type of a venture are prepared to risk their own capital and take their chances. My best advice to the interested parties would be to find some Crown land that might be suitable and put a package together and then approach the Minister and his staff or encourage the development of a wildlife area for that purpose.

MR. MACKLING: Mr. Chairman, I admit that there still is Crown land available, it hasn't all been sold, but traditions are strongly against this kind of development of our wildlife.

MR. BLAKE: You wouldn't want to keep all the Crown land just for the birds and the bees though, surely you would allow some other use for it as far as grazing permits and things of that nature go, I'm sure, Mr. Minister?

MR. MACKLING: Yes, Mr. Chairman, I've already answered questions along those lines extensively.

MR. CHAIRMAN: The Member for Arthur.

MR. DOWNEY: Mr. Chairman, I'm not sure which number you're on. Mr. Chairman, the Big Game Dam-

age Compensation has been increased from \$108,300 to \$215,300. Is that, Mr. Chairman, figure derived from the experience that the department has had and the increased numbers of deer particularly — and I will just say that in the southwest region of the province where we have seen a considerable increase in deer numbers over the last few years, with the feeding stations and that type of thing.

I also have to say I have had excellent co-operation from one of your staff members in Brandon who I have been in contact in the last while. However, I did have a farmer contact me on Friday or Thursday of last week and I relayed the concern over to the department, where in fact, there are deer in the number of some up to 210 in a herd that this farmer is feeding. He is feeding hay that he has himself put up either for sale or his own use, and he is providing grain or opening grain doors in his graineries to provide some supplemental feed for these particular deer.

Is he eligible, Mr. Chairman, for compensation under this program as a direct payment to him?

MR. CHAIRMAN: Mr. Minister.

MR. MACKLING: Mr. Chairman, I am given to understand that we did have notice of this question I think last week. It was Friday and departmental staff have indicated that they confirm that Mr. Lloyd Kilfoyle, a Lyleton area farmer, is voluntarily feeding a large number of deer with alfalfa and rye grain and I regret to say that no monitory compensation is available to him, but we are endeavouring to provide him with feed for the deer. That's our understanding.

MR. DOWNEY: Mr. Chairman, I think that is an appropriate move to work out something with him so that the rest of the deer in the whole countryside don't find out how generous he is and become a little too heavy for the individual to carry. I think it's the tax-payers that should be carrying the load of the wildlife herd. However, I think it's another way that we can demonstrate to the rest of the people of Manitoba that farmers are not against the wildlife being developed or maintained. That, in fact, they're very supportive of it.

Another question, I really haven't been answered the reason for the increase but is it to expand that feeding program?

MR. MACKLING: Well, Mr. Chairman, I should have when I had the mike answered yes. It's in accordance with the previous year's findings that the additional dollars are necessary and the bulk of the damage is occasioned by deer and bear, bear in particular in respect to the domestic honey.

MR. DOWNEY: Mr. Chairman, for the Minister's information, the bear also destroy a lot of grain crops as well.

MR. MACKLING: Oh yes, I know they do.

MR. DOWNEY: Is the same working arrangement worked out or continued on with between the Department of Agriculture, or will it be carried on between the Department of Agriculture for the assess-

ing of crop losses?

MR. MACKLING: Yes, Mr. Chairman, it will continue to be through the MACC, I believe?

MR. DOWNEY: Does the crop depredation for ducks fall within this allocation?

**MR. MACKLING:** It comes later on in the Items, Mr. Chairman, but I'll be prepared to answer. It is in the Wildlife Estimates, but I will be prepared to answer the questions now on it if you like.

MR. DOWNEY: I can wait, Mr. Chairman, but I would like to ask a question. We have had over the past two or three years and it's something that I think everyone in the farm community is concerned about, as well as, I hope this government is, the problem of getting a longer term crop depredation both compensation and loss program worked out with the Federal Government. Are the departments of both Agriculture and Natural Resources pursuing to work to get a longer term agreement? I think it is important, particularly with the increased cost of production that farmer's are facing, to increase the maximum from \$50 to something more closer to what the actual costs are. Is the department carrying on the discussions with the Department of Agriculture federally and are they putting forward a higher estimate for crop loss per acre?

MR. MACKLING: Mr. Chairman, the negotiations in respect to the dollar amounts of compensation have been negotiated apparently through the Departments of Agriculture, the federal and the provincial, but they are endeavouring to get the Federal Government to increase the compensation to a figure of \$60 per acre, but that is an ongoing difficulty to get the Federal Government to increase the amount of the compensation.

In respect to the length of the program, the Federal Government apparently is reluctant to get involved in long-term agreements and I guess it's indicative of the Federal Government's general cutting back wherever it can of any fiscal responsibility, any continuance of any major fiscal responsibility on a shared basis for the provinces. They are either cutting back or at least insisting on short-term programs all the time.

MR. DOWNEY: Mr. Chairman, I think it is imperative that the province not try and play the Mr. Nice Guy all the time and that they have put a pretty firm case forward to the Federal Government on this particular issue, because it is a national responsibility as far as I am concerned. It is one that is of multi-jurisdictions; U.S., Canada, and particularly when I think, and I would like to pursue this a little more, and I would hope that I have support from the Minister, that when we have a program with Ducks Unlimited in this country, with monies to spend, I think it would be important if they would consider, the two parties were to consider, an ongoing crop depredation or crop-loss program funded by other than the taxpayers of the country. If in fact they would be agreeable to this kind of approach, I think it would certainly make the relationship between the farm community and the people in the Natural Resources Department and Ducks Unlimited, I think it would be a far more workable type system that we would have in place.

If they have funds available to build projects to hatch the ducks, then I think there should be funds to help feed them after they are hatched. I think the farm community should be treated fairly in that way.

MR. MACKLING: Well, Mr. Chairman, I suppose all things are possible in connection with these organizations and I would assume that the honourable member or others did address this question with Ducks Unlimited before. —(Interjection)—I don't necessarily recognize the same degree of sympathy for that organization with your honourable colleague though. However, I amnot saying that he is critical of it, buthe is suggesting that perhaps they should be rearranging their priorities. I think it is a fair enough question to ask. I suppose that there will be an opportunity for me to discuss that.

In respect to our approach with the Federal Government, the honourable member knows that the Minister is a nice guy, but I am tough too.

MR. DOWNEY: Mr. Chairman, I have one specific concern and this has been an ongoing one. Mr. Chairman, this is one of specific concern to me and to a constituent of mine, our colleague Morris MacGregor had been very much aware of it, it had been in his constituency and the past Minister of Natural Resources had an on-site investigation of the particularly difficult time this particular person was having in light of dry weather conditions; he through working with Ducks Unlimited and the Department of Natural Resources — and I will give you his name, it's Kelly Taylor from Oak Lake, who has a fine herd of livestock and a good operation on Assiniboine River — several years ago, and I do believe it was just about the time we took office, several years ago there was parcel of river-flat land bought by the department, following that leased and I believe it was my colleague, one of the former Ministers, who leased this particular property to Kelly Taylor. The year before last, Mr. Taylor did receive a permission from Ducks Unlimited and from the government to proceed in to cut the hay.

Last year in the western portion of Manitoba was equally as dry. There was an abundance of feed in that particular operation or on that particular Ducks Unlimited property. He was prohibited from going back in to hav the land. What the man would like to do. and he's an excellent husbandry person, he's not against Ducks Unlimited; he's not against the Department of Natural Resources, what he would like to work on is an ongoing maintenance program to work with them on an ongoing basis. He doesn't want to buy the land; he just wants to help with a maintenance program, and I think it's unfortunate that something can't be worked out through the, if it can't be at the field level, particularly at the senior level of both Ducks Unlimited and your government, to enable him to work on a management program with Ducks Unlimited, do duck counts and see if in fact his having operation is going to damage the number of ducks that are produced in that area.

The land, Mr. Chairman, is land that would produce 50 bushels of wheat. I have pictures of the former Minister of Natural Resources standing out there. It

was hard to tell him from some of the wheat because it was so tall and their heads were so full. Mr. Chairman, that's on the lighter side, but I am sincere this man who wants to work with both the people who are responsible for Ducks Unlimited and natural resource development and also is sincere about producing livestock, needs, I think, the senior level of your government and Ducks Unlimited senior people to take a specific look at this.

I was informed by the past Minister of Natural Resources that he himself was working on this to try and resolve the issue. I would hope that it could be resolved so that Mr. Taylor could use that specific piece of ground for this year. I think it would do a lot for the image of Ducks Unlimited, the image of your department and, of course, help put some beef on the table as well as ducks and other wild fowl.

So I ask you to take specific note of that, Mr. Chairman, and I'm sure Mr. Taylor would be much appreciative of anything you could do for him.

MR. CHAIRMAN: Mr. Minister.

MR. MACKLING: Mr. Chairman, as I've indicated to the honourable member, and all the honourable members, certainly I am, as Minister, prepared to hear problems and look into them. We certainly want to manage the Crown lands to the betterment of not only wildlife but all interested Manitobans and where it's possible to make accommodations, certainly we'll be prepared to do that but we're not going to change lightly or interfere with longstanding arrangements unless there is a serious problem involved.

MR. DEPUTY CHAIRMAN, Don Scott (Inkster): The Member for The Pas.

MR. HARAPIAK: Mr. Minister, I'd just like to make a few comments about that controversial area called the Saskeram. I think the era of co-operation has begun by the establishment of the marsh manager and a committee that has been established between the trappers, the fishermen, the wildlife groups, Ducks Unlimited, Local Government District of Consol and the farming association. There's only one problem; it's supposed to be a local committee and there's some concern that — I know we have no input, I guess you have the final say about who sits on that committee - but the Ducks Unlimited designated person is not a local person and I think if they designated a local person to that committee, it would have more of a chance of the committee working successfully.

I think that you referred to the boundary changes. There were 6,000 acres out and 3,000 acres in and I think that's a decision that should have been made afterthat committee was in place because they would have felt that they would have had more input if they were consulted on that area. I think maybe the consultation should still take place.

One other area that I wanted to talk about that was brought up earlier was loss of livestock to wolves. There's been quite a bit of loss to timber wolves in this past summer and on into the fall and there is no compensation at this time for timber wolves and I commend the department for allowing the timber wolves to be controlled by the use of some poisons. I

think that when the population of the wolves get too high, they must be controlled, so the question I would like to ask, is there any possibility of bringing some system in where the farmers could be compensated for the loss of their livestock to the wolves?

MR. MACKLING: Mr. Chairman, the honourable member is correct that pursuant to the arrangements, a committee structure is to recommend on the usage of the Saskeram area and the groups involved are expected to designate their spokesman and their committee participant. Although it might be to the advantage of the committee to have some one who's a representative of an interest group that lives in the area, I don't think that it's fair or would be well received for the government to dictate that the person had to be resident in the area. As long as they're knowledgeable about the concerns; that's the important thing.

In respect to the work of the committee, the acreage adjustment resultant from boundary changes that were referred to, 6,000 acres coming out of the Saskeram area and going into agriculture and 3,000 in the reverse way; that question will be addressed by this committee. The boundary lines have been prepared and recommended, but we thought it appropriate that the local committee that would be looking at all matters should have a look at that and be satisfied that they have some input into it and they're satisfied with it

In respect to the problem with wolves; the department is aware of that problem. There is some control program that has been ongoing, but in respect to compensation for actual livestock loss, there hasn't been such a compensation program in the past and I don't think there's anything contemplated this year.

MR. CHAIRMAN, Harry M. Harapiak (The Pas): 9.(b)(1) Salaries—pass; 9.(b)(2) Other Expenditures—pass; 9.(b)(3) Grant Assistance—pass — the Member for Minnedosa.

**MR. BLAKE:** Who does the Grant Assistance go to? Is that just one grant paid out or is it smaller grants payable to several wildlife groups?

MR. MACKLING: There's two grants involved. Three thousand dollars goes to Manitoba Nature Magazine and the Delta Waterfowl Research Station; \$3,000 to the Nature Magazine and \$1,000 to the Delta Waterfowl Research Station.

**MR. BLAKE:** How do we subscribe to the nature magazine or is it provided?

**MR. MACKLING:** The \$3,000 is to cover the costs of the distribution of that magazine through the schools.

MR. BLAKE: I see.

MR. CHAIRMAN: The Member for Radisson.

MR. GERARD LECUYER (Radisson): Mr. Minister, are these publications you just referred to publications of the department?

MR. MACKLING: No. Mr. Chairman.

MR. LECUYER: Am I given to understand, Mr. Minister, that these are published then by the private sector?

**MR. MACKLING:** Mr. Chairman, they are published by the Manitoba Naturalist Society and they're considered to be a very excellent pamphlet or publication for educational purposes and, therefore, the department funds the distribution through the schools.

MR. CHAIRMAN: The Member for Minnedosa.

MR. BLAKE: Are they bilingual, Mr. Chairman?

MR. MACKLING: No. monsieur.

MR. CHAIRMAN: The Member for Inkster.

MR. SCOTT: Just for a point of information for the members present, those who aren't aware of the magazine, it's just been going for one year now. The magazine is put out by the Manitoba Zoological Society and the Manitoba Naturalists Society together. It won, I believe it is three international awards for both the composition of the photography and excellence and it is now rated as one of the top magazines of this sort in North America, let alone in Canada itself. It is just a first-rate magazine and if the members are interested in subscribing, which I took that note from the Member for Minnedosa, the address, I believe is Room 214, 190 Rupert Street in the Manitoba Museum of Man and Nature Building and I am sure that they would be most happy to see more subscriptions come through.

MR. BLAKE: Yes, like most things, Mr. Chairman, it's nice to sort of sample the product before one gets involved on a financial expenditure. I might add, while we are on this particular set of Estimates, Mr. Chairman, at one time members of the Legislature were provided with free access passes to the Provincial Parks but I don't know whether it was the restraint program of four or five years ago that put an end to that program or not. I was just wondered if maybe the Minister was considering reinstating that benefit for the members.

MR. MACKLING: Mr. Chairman, I will accept as reasonably just criticism that we should have had a copy of that magazine here or last year's copies for the members to see what is being voted here. I will accept that as criticism, we'll see that copies are available to the members.

In respect to the other observation about free passes, I'm not enthusiastic about that at all. I think we have to set an example to our taxpayers and show them that we're not looking for anymore freebies than what we get already — probably cut back on those.

**MR. CHAIRMAN:** 9.(b)(3)—pass. 9.(b)(4) Big Game Compensation — the Member for Lakeside.

MR. ENNS: There were some things that I didn't succeed in during my tenure in office and I know the

Honourable Member for Ste. Rose is too modest to bring up again, but after an exhaustive examination of a cow that got killed under questionable circumstances, I was still unable to convince my department at that time to properly compensate the honourable member's constituent. I gladly give you over that assignment, Mr. Minister, and hope that you will have more success then I had.

You see I'm still working for you, Peter.

MR. CHAIRMAN: I guess we go to 9.(b)(4)—pass; 9.(c)(1)—Salaries—pass—the Member for Lakeside.

MR. ENNS: On Habitat Management, Mr. Chairman, probably no other aspect of this division of the department's activities is more critical than habitat management. I appreciate the way the geography of Manitoba is situated that we have ample opportunities for the department and/or governments to influence the management, the retention of habitat, to improve the habitat in large portions of the province. Certainly the eastern portions, central and northern portions of the province but the truth of the matter is game, like man, has decided to settle in over-riding percentages in that south and southwestern portion of the province which also happens to coincide with the largest percentage of privately held land. Any serious measures that will successfully stem the erosion of habitat, and to provide some habitat management that will ensure the kind of game retention that I think all of us would like to see, has to come to grips with that.

Now, Mr. Chairman, I will not pretend that the previous administration was well on its way of solving some of these problems. I do indicate to you that the Branch has some very specific proposals to put before you, ones certainly that I would have given very serious consideration to. There are a number of options open to a government, to a Minister in this instance and at different pricetags. It depends entirely on what resources a department can bring to bear but, Mr. Chairman, it's even more critical, I suggest, as we start with this new administration, partly because of the announcements made just recently by your colleague the Minister of Education, rural areas are facing 25 to 35 percent property tax increases in the coming year alone.

I know, Mr. Chairman, this is not new to the Minister. The Minister himself was well aware of this and having met with municipal officials on another matter where among other things the rising property taxes was a major concern. Mr. Chairman, it's just not going to happen, when farmers and property owners faced with their own set of escalating costs; faced with the ever present cost price squeeze that rural people, farm people have to cope with; that the owner, the farmer, the owner of private property will on his own volition, indeed can be expected to set aside lands that could serve wildlife interests in a more beneficial way for society as a whole.

Some program of recognizing this, that has a monetary gain attached to it, some relief of taxation will have to figure into this sooner or later. Or else, we simply have to say that in south-central Manitoba, the pressures on wildlife habitat will continue.

You cannot expect farmers to face 25 to 30 percent property tax increases and then not go out and drain

that last slough, knock down that last pile of bush in order for them to try to cope with their rising costs. I know, Mr. Chairman, that the department has worked out as I said, several, what I consider to be very sound programs. They have price dollars attached to them of course. But, I would suggest that you at least expose them to your Cabinet to your caucas and allow the government of the day to make a determination as to whether or not a start could not be considered.

I make that appeal to you, Mr. Minister, in a very serious way because I think that the apparent pressure of rising property taxes are simply going to make that more critical in the coming years.

Mr. Chairman, I raise another matter related to the same subject. I think the government would be well advised to search out, to seek out any possible way of raising revenues to help pay for these programs. The particular program that I had hoped to introduce that was not voted in sufficient time to do so, was to take advantage of the willingness on the part of many naturalists, sportsmen and others interested in wildlife to make a direct contribution by way of stamp purchases. I am referring to stamp purchases that could be affixed to the licences that in some jurisdictions have proven extremely successful as a source of revenue to be dedicated towards the maintenance of habitat and also, Mr. Chairman, as an attendant plus to foster in some instances some very excellent wildlife artists. I had envisaged that competitions could be held for these stamps. In due course, there would be stamps for the major game species that are being hunted whether it's a deer stamp or moose stamp or the duck and the geese stamps being, of course, the most immediate ones that come to mind.

It's a program, sir, that you will find that a reasonable amount of research work has been done on it within the department. I suggest that you look at it for these different reasons, but not the least of them being you're going to have your troubles getting the necessary dollars to put into habitat programs and I can tell you that the reception by the outside organizations, the Manitoba Game and Fish organizations, are extremely positive towards this suggestion.

It was suggested to them at their annual meeting last fall in Neepawa that it was the government's intention to move in this direction and I must say, Mr. Minister, the suggestion was extremely well received. So it seems to me that if you have an opportunity for private individuals, not necessarily just the sportsmen's community, but as I mentioned other interested persons, these stamps could and should be of the highest quality. They, themselves, become collector's items and could in a less painful way than direct taxes help contribute the resources of your department.

My only word of caution to you is that you then make sure you get some commitment from your colleagues particularly that fellow known as the Minister of Finance who has a tendency of liking to take all the revenues earned by substantial and solid and good departments like the Department of Natural Resources and sneak all that money into the back door of his Treasury. Then when wetry to get a few dollars back, it's like pulling teeth out of a hen's mouth. It's pretty tough. I think if some of our resource managers could use some of those monies that they gather in, there could be a greater immediate cost benefit shown for

the monies collected.

Anyway, Mr. Chairman, I offer you those two serious recommendations, recommendations that obviously I had a considerable interest in when it was my opportunity to be in that position. They could be, in my judgment, kind of exciting new initiatives that one could expect from a new government. I just hope that you can use your powers of influence with your cabinet colleagues to pursue that. I want to assure you that the Official Opposition will support you in a very substantial way in any moves in this direction. That includes the Honourable Member for Minnedosa as well as the Honourable Member for Arthur.

Mr. Chairman, I put those cases for those two programs before you and invite any comment you might have on them.

MR. MACKLING: Mr. Chairman, I thank the honourable member for his remarks. Certainly the concern for the retention of wildlife habitat is shared by me as Minister, by the department, by the associations he has referred to. I know the game and fish associations have already, at least the major one in Manitoba, the Manitoba Wildlife Federation, has already indicated to me their enthusiasm for the protection of wildlife habitat, their concern in respect to the retention of Crown Lands where indicated to be desirable wildlife habitat and they did indicate that they were prepared to seemore charge being made directly to the hunter, to the user, to develop additional lands for wildlife habitat

There is a concern, of course, that these lands once acquired have to be recognized to be multi-purpose lands. They are excellent for wildlife habitat. They also provide recreational opportunity for people who not only hunt, but take educational tours, nature walks. There are many, many things we've talked about before; berry picking, mushroom picking, bird watching. Some people think of these things lightly, butthere are many in oursociety who have a genuine affection for nature as it is, unspoiled, and like to enjoy nature.

One of the concerns that we would have to protect against is the concept, particularly of hunters who were buying the stamps, that they wouldn't feel a paternal or proprietary interest in respect to the wildlife habitat lands themselves. I don't suggest that's necessarily the case, but that can be the psychological result.

I think as government, we have to be concerned about the preservation of treed are and surface water area, wet area, to preserve our ecology and as part of the preservation of our ecology, we're preserving wildlife. In other words, our focus is not limited to the preservation of wildlife habitat simply for preservation of wildlife. It seems to me it has to have a multifocus as well because as I'd indicated earlier when we were discussing Estimates in respect to water supplies, there is a relationship between groundwater and surface water. So therefore, those that are advocates of retaining more wet lands for the protection of waterfowl breeding places and rearing places, indirectly provide and protect against the concern for groundwater supplies. So, it is also those who argue strongly for the retention of more wooded area and not the blind or irrational clearing of marginal lands for marginal agricultural purposes; in their desire to protect area for wildlife are protecting also in connection with the preservation of a natural storage area for water that is accumulated either through rain or snow gradually being released into our system, into the order that nature has provided.

So, in our approach to the concerns for wildlife habitat, I think we have to have a broad view as to what is needed and we have to look at areas where perhaps there has been a removal of forest cover for marginal farming operation and determine whether or not we can't get more return of the forest cover in areas where perhaps it should never have been removed and is merely causing problems and accentuating problems in respect to drainage and flash floods and all that sort of thing.

So I can assure the honourable member that I, as Minister, and I'm sure my colleagues, are going to be looking at this area with interest in respect to the problem that retention or return of lands to wildlife habitat occasion for municipal financing. I share that problem and we certainly are concerned with it and as I indicated in my remarks during the Throne Speech, I think in our assessment policy whenever that review is completed, we'll have to look and determine whether or not it's not possible to exempt forest lands and wet lands from taxation because if we did that then there wouldn't be the same anxiety to strip every last little piece of bush or to drain every last pothole in order to get further income. No one faults the modern-day farmer given the kind of cost squeeze he's in from trying to develop the most from his land; you can't fault him at all. However, we have to look, as I've indicated, at these things in a broad perspective and hopefully we will be in a position to provide some long-term answers or some long-term programs that will tend to reverse the destruction of our wildlife habitat and our wetlands that has gone on for a long long time, not in any design to hurt our ecology, but in a desire to provide the most from our agricultural base and we have to take a longer, more effective and more reasonable look at what we're doing with our natural resources.

MR. BLAKE: Thank you, Mr. Chairman. This is on another subject, but the Member for Turtle Mountain had to leave and he just wondered when the capital plans would be tabled. I believe the Minister said they would be ready Monday.

MR. MACKLING: No, that was last Monday, Mr. Chairman. I'm sure they're available now, are they not?

MR. BLAKE: Yes, that's fine, Mr. Chairman. I just wanted to make a comment. I certainly support the remarks of my colleague from Lakeside and I'm glad the Minister is taking notes on that because I think it's not only an excellent source of revenue, but revenue for a specific purpose, and I don't feel the wildlife management people or the hunters themselves will mind paying, you know, when you consider you'll travel many many miles to hunt pheasant and find they cost you \$60 or \$70 apiece. You're not going to worry about paying a few dollars for a stamp, and I would suggest further to the Minister that to make

them completely acceptable maybe when he does come out with a stamp that they be coloured blue probably rather than orange and black. It may help them sell a little better.

Mr. Minister, under habitat management in my area and the road allowances that are unused are excellent wildlife habitat naturally and the adjacent road on my particlar farmland runs for about a mile-and-a-half. I think there's no need for a road there at all and it's an excellent cover for wildlife, but in some areas I notice they have the connotation, the conservation corridor, and the countryside is plastered with great beautifully-coloured bloody signs. Now the deer don't know that's a conservation corridor. It's a bush for them to dive into for a little safety and refuge. What does this sign program cost us? Could somebody give me an idea of what the cost of all these signs were?

MR. MACKLING: Mr. Chairman, I'm not conversant with what signs are referred to, and I'm certainly no expert on what the deer recognize as a directional sign. On that point though, I might add that the department, I believe, has had some success with reflectors in discouraging deer from crossing highways where there has been heavy deer crossings and a large number of fatalities.

MR. BLAKE: That is a shame; I think you're right. The reflectors have been effective and I suppose there are areas where maybe more of them could be used, but the Minister might just have someone take a bit of time and find out the cost of that sign program for my information. It would be interesting to have because while it's nice to designate those areas, I'm sure it's been a pretty costly program. I'm not too sure the expenditure is justified by the . . .

MR. MACKLING: You may be right.

MR. CHAIRMAN: The Member for Inkster.

MR. SCOTT: Thank you, Mr. Chairmn. I'm very enlightened to both with the Minister's response and the Member for Lakeside's tone of his question and the comments. I think that Habitat Management is certainly one of the key aspects of both with Wildlife Management and in general just with the whole concept of maintaining some of the natural animals and birds that have habited our province and for the future.

One thing I think many can be cognizant with, and I don't know if there's any members here that are old enough to remember, but the white-tailed deer is not a deer native to Manitoba. It has come in and it mixes very well with a more open land and with man's cultivation of fields and whatnot. The deer that was orginally here was a mule deer, and I'm wondering if the department has anything or if there's any possibility of reintroduction, and I recognize this perhaps should have come up under Wildlife Management, but it is because of habitat disruption that the mule deer are no longer with us. I wonder if there any left in the province; first off, when was the last one sighted and is there any potential for reintroduction into areas of the province or is it just too far gone because of the change in the habitat?

MR. MACKLING: Mr. Chairman, the honourable member is quite right, the white-tail was not the resident deer in the southern part of Manitoba. The white-tail, I think, has been moving north, progressing north. The mule deer, the last sighting according to the department was in the Spruce Woods Park about 10 years ago.

The problem with repopulating mule deer is that apparently they don't compete very well with the white-tail, and it's not considered to be an advantageous program to bring in the mule deer because you'd have a trade-off, I guess, in respect to the white-tail deer.

MR. SCOTT: Is that basis of competition on similar food sources or is it that the mule deer has a different manner about it especially in being subject much stronger towards hunting because when it does hear something, that's why they have the big ears? They stand there and move their ears around like a radar-scope almost trying to identify the disturbance that they have noted, be it in a bush or wherever, and set themselves up as perfect targets.

MR. MACKLING: Mr. Chairman, the mule deer — the feed is part of the problem but it goes beyond that. The mule deer is probably more sensitive to depredation and although there are mule deer in Saskatchewan, they're in I think it's the Cypress Hills area — the Greater Sand Hills — I'm sorry.

MR. SCOTT: Yes, thank you. Next, I'd like to concentrate a touch on the idea of tax exemptions for agricultural land or land that farmers have that is left in its natural state or restored to its natural state.

I think in the past we've tended to take our wild lands or native lands as a basically free commodity and the natural or wildlife that exists within them. I don't think we can continue with that concept that just because they were there, they always will be there, and it's not going to take some cost on behalf of society to maintain them, and I think that we have to start looking towards mechanisms. I think there are many of them. Some can be the stamp programs or plates and that sort of thing that can be sold throughout the North American market. Others — the tax exemption certainly is a direct incentive to the farmers and to the landowners, and not all the landowners I might add necessarily are farmers.

I know of some people that have gone out and bought land for the idea of preservation of the lands and I don't know that they should be rewarded with giving them cheapland. I'mnot saying that at all, but I think there should be some tax considerations for people who did that and recognition that if they turn around and sell the land for another purpose afterwards that they would have to pay back the taxes that they were exempted in the years prior to it.

There's another very great impact, or system, that has a tremendous impact on the destruction of marginal lands, and that's the quota system set up for Canadian Wheat Board. That system encourages a farmer, if he has so many acres of land and he's getting a basic quota, to be able to match it. If he has a couple of bad years, he can then go in and take out some more marginal lands, and as long as he can

match his quota, if his own land isn't producing the same volume any more, or if the land is becoming less productive, which some of our land soils people tell it is, then the pressure is on that farmer from economic pressure to move into more marginal areas. So, that land is cultivated at least and then he has the right to production up to a certain limit. His land may not produce up to that limit but with the additional acreage and whatnot, he has a chance of getting a greater amount of production and therefore being able to sell it all at the full Wheat Board price.

I think we have to start some serious negotiations with the Federal Wheat Board on this. I don't believe, and members could correct me if I'm wrong, I don't believe oil seed crops should be covered under that at all. That would be something we'd have to work out between ourselves, the municipalities, and the farm communities

One thing I'd like to see us, perhaps, undertake, and as the Minister I'm particularly pleased with his response in the general area along streams, I think that we have a very good chance now, because of the changing in the psychology, generally of the society, towards preservation of, not only our wildlife, but also our ground water and our surface water, and the quality thereof.

I would like to propose that we consider starting to promote our river and stream corridors to try and encourage farmers to move back 25-50 feet from the edge of any river system and to plant that in trees that are naturally along those river systems. I wish we could put elms in, but I'm afraid that's, probably because of Dutch Elm Disease, an unwise tree to plant, but we could perhaps look at more native plants such as the willows, sandbar willows and whatnot, and cottonwoods, of course, as well, and that the province could look, through its Nursery Program, at providing the trees to the community or to the farmers for planting and maybe even assist in the planting thereof by a summer works program through STEP students or some such thing as that.

I think we've got to look very seriously at trying to promote, not only the re-establishment of good habitat lands to maintain assemblance of the quality of wildlife and of the agricultural system as a coperative and a complementary, rather than a competetive system necessarily and I think it is incredibly important when you think of erosion along the river systems and along the streams, where during floods with no extensive roots to stabilize the banks, we're getting severe erosion in several areas now. I've canoed along the Assiniboine, and particularly along the Souris Rivers and you can really see in some areas where that has been a factor.

So, I would like to leave you with that comment, Mr. Minister, of trying to promote a corridor system along our rivers and streams and encourage the farm community to move back 25 or preferably 50 feet from the edge of the river systems before they start their tilling of the land and their seeding.

MR. MACKLING: Mr. Chairman, I just thank the honourable member for those suggestions. They certainly will be considered.

MR. CHAIRMAN: 9.(c)(1)—pass; 9.(c)(2) Other

Expenditures—pass; 9.(d)(1) Salaries—pass; 9.(d)(2) Other Expenditures—pass; 9.(d)(3) Grant Assistance—pass; 9.(e)(1) Salaries—pass; 9.(e)(2) Other Expenditures—pass; 9.(f)(1) Salaries—pass; 9.(f)(2)—pass; 9.(f)(3)—pass; 9.(g)(1) Salaries—the Member for Lakeside.

MR. ENNS: In the wild fur industry, Mr. Chairman, firstly, perhaps just some statistical questions in terms of the scale and scope of the industry in the year just passed, and then, Mr. Chairman, there has been in the last few years serious efforts undertaken by the Manitoba Trappers Association to regulate their industry a little more forcibly and to, I suppose, control, particularly their means of selling and marketing their furs; I'd appreciate if the Minister has any information as to how successful they were?

I know that they undertook several auction marts during the course of the year, I believe some of them were in association with the Ontario Trappers Association as distinct from the traditional way of selling furs in the Province of Manitoba through one or two companies. My understanding is that has now in effect become one company with the Sudak people more or less not in the bidding business.

Any comments the Minister has with respect to this part of the fur industry?

MR. MACKLING: Mr. Chairman, this is a significant industry. There are 17,000 people involved in trapping and 3,500 of whom are in the north end of the province; 13,500 in the southern portion of the province. Their incomes vary from very very little to as high as \$25,000; the main harvest is in beaver, mink, muskrat, lynx, fox, coyote and fisher. Twenty-two varieties are harvested commercially, 90 percent of the crop is exported from Canada. The crop has a value of \$10 million in terms of raw fur and the staff gives me to understand that the multiplier value of that \$10million income produces a total income in the province of about \$50 million. The market for raw furs, of course, fluctuates in demand, it's a pretty volatile market. The market has been reasonably good this last period and there has been a pretty active industry as a result.

In respect to the initiatives of the trappers; some, of course, as you know, have through the Trapping Association have developed a marketing plan whereby they buy the fur by an initial price from the trapper. Its marketing has taken place in Thunder Bay through the Ontario market there and the result has been quite favourable. The department is encouraged by the success of this and certainly is supportive of the Trapping Association's initiatives and efforts in this respect.

The department does have ongoing program, of course, concerned with continued education in respect to development and growth of humane trapping in respect to more humane traps employed in the industry. Generally speaking the department has been involved with continuing initiatives to increase the potential and the worth of this segment of our natural resource industry.

MR. ENNS: Mr. Chairman, the Ministerreferred to the department's involvement in various programs, par-

ticularly ones dealing with development of more humane trapping methods. This has been an ongoing program with both federal and other provincial jurisdictions involved. I would ask the Minister directly however, because there are increasing pressures in our society for the banning of one particular trapping method and that is the leg-hold trap. Action of that kind, I believe, has been undertaken by the provincial government in British Columbia. I simply ask the Minister whether or not he has had any opportunity to think about the matter or whether or not he has any intention of banning the leg-hold trap in Manitoba.

MR. MACKLING: Mr. Chairman, the department is not recommending to me the banning of leg-hold traps. There are certain areas of the province where, because of the nature of the trapping involved, the leg-hold trap is probably the most efficient and the only trap that is available that the industry can utilize with any degree of success. However, the department is experiencing excellent co-operation with the industry in advancing the use of the more humane traps and trapping techniques where it's possible to do so and I believe that the industry, the trappers themselves, are encouraged by the success that they can have in some of these traps, of course, depending on the terrain and the area they're trapping in.

I'm advised that in the opinion at least of the department, the province continues to be a national leader in the humane trapping field. The actions to maintain this effort include: continuation of mechanical and laboratory testing of new devices; assistance to inventors of humane traps; expansion of the experimental trapline systems for field testing new inventions and techniques; the formulation of a co-operative field testing program in northwestern Canada; continuation and expansion of educational efforts for the general public; and a lead role in the development of the Fur Institute of Canada involving both public and private sectors to co-ordinate humane trap development and rationalize the entire wild fur industry.

MR. ENNS: Mr. Chairman, I assume the item under (g)(3) Grant Assistance of some \$30,000 which is the same predicted for the coming year as was spent during the past year is essentially the grant that is provided by the branch to the Manitoba Trappers Association. Is that correct?

MR. MACKLING: Yes. Mr. Chairman.

MR. ENNS: Mr. Chairman, a review of the royalty structure that Manitoba imposes on the furs so harvested I think is long overdue; partly because of the inequities within the structure, partly because a rigid structure doesn't allow for the volatile market situations. A fur that is worth \$40 one year can be worth \$80 next year depending on the dictates of the designers and the fur salons of Paris or London or Montreal or New York, wherever, and our system of charging royalties doesn't cope with that.

I've held to the belief that it was possible for a substantial upward revision in those royalties, one that is more flexible that takes into consideration more the market value of the fur rather than the particular species from time to time and in doing so, it would generate considerably more money which, in my judgment, could and should belong at least in part to the trappers and their association themselves, allowing themselves a little bit more independence if you like from government grant assistance, allowing them to pursue the kind of programs that they in their wisdom feel are of benefit to their association.

I appreciate the Trappers Association as such because again of geography, the kind of trapping that takes place, it isn't all that homogeneous a group, but nonetheless there is what I would call your serious trappers who are and have been working diligently in this direction. I make particular reference to their president, Mr. Gilbert Ducharme, who has worked very hard in this area and has been certainly a leader in trying to develop better marketing methods, better P.R. for the Trappers Association themselves.

I hold out to you, Mr. Minister, the possibility of assessing the royalty structure currently in place and without necessarily impacting on your Estimates, allowing for substantial additional dollars, that would change according to the market dictates from year to year, but some additional monies that could flow to the Manitoba Trappers Association as a result of this change in your policy. It's a matter that I think bears serious study. I think any immediate comparison, for instance, to the royalties earned, say, from the furs we trap in Manitoba as compared to other jurisdictions particularly Ontario, would lead you to believe that this could be done.

In any event, Mr. Chairman, I encourage the Minister to give this little section of his department his attention. I can't avoid but saying the obvious, while we have many people in the fur trapping business for whom the revenue earned is only maybe a small part of their total income, but we do have many particularly in Northern Manitoba, many Native people, for whom the trapping is very much the major source of revenue, their major income. For those reasons, very often in areas where there are precious few alternative economic opportunities available to these people, any continued interest on the part of the Minister and attention on the part of the department with respect to the fur industry in Manitoba will be welcome.

MR. MACKLING: Mr. Chairman, the honourable member is quite right in his comments in respect to the need for review about the royalty structure and Mr. Carter and I did meet with members at the Trappers Association and these observations were made to us. The department will be looking at a review of the royalty structure because the anomalies that the honourable member referred to are certainly present, given the fact that, for example, the royalty on a badger pelt is one penny and on an otter pelt it's a dollar and a quarter.

These royalties have been in effect since the Forties some time and I think they should reflect the value of the fur, and certainly in any revised royalty structure, it could ensure that the funding that does go to the Trappers Association would be assured. I don't think there's any question but that we want to see the industry prosper and the royalties will be looked at and I hope there will be adjustments made.

MR. CHAIRMAN: The hour is 4:30. We'll pass this and

then it won't be necessary for the resource people to come back. You still want to talk on this?

We'll interrupt for Private Members' Hour. The committee will reconvene at 8:00 p.m

# SUPPLY — NORTHERN AFFAIRS, ENVIRONMENT AND WORKPLACE SAFETY AND HEALTH

MR. CHAIRMAN, Jerry T. Storie, (Flin Flon): The meeting will come to order. We're continuing with the Department of Northern Affairs, Environment and Workplace Safety and Health. We're working on Item 3, Local Government Development, 3.(c)(1) Salaries and Wages.

The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Chairman, On Friday at the conclusion of the discussions as the House rose for the week, my colleague, the Honourable Member for Tuxedo, had been asking the Minister some questions about the situation with respect to water levels and safe water and the like in various northern communities, and there was some fairly wide ranging discussion on the subject of Cross Lake and the experience there and the needs as seen by my colleague and by the Minister. They may indeed or other members of the committee may indeed, be intending to pursue that particular question further, Mr. Chairman, but I wanted to ask the Minister about water in a more general way with respect to the north and northern communities and I presume that my question would logically fall under this line in the Estimates, Community Works. If not, you and he, Sir, can direct me as to where the subject can and should be discussed.

Mr. Chairman, as the Honourable Minister of Northern Affairs, Environment and Workplace Safety and Health will know from his colleague, the Minister of Health, one of the most fundamental problems that we face in Manitoba in terms of general health and raising the level of health standards and health status is the continuing battle that any government of this province of any stripe wages on the infant mortality rate. One of the big challenges facing the Minister of Health is always the anomaly that arises from the fact that the infant mortality rate for the province which is relatively impressive in the south - I use the term "relatively" because I suppose one never has one's infant mortality rate down as low as one would like is very disturbing and alarming and continues to be extremely serious in Northern Manitoba particularly in Native communities and remote communities.

I don't have the figures in front of me at this moment, Mr. Chairman, but my experience as Minister of Health was that we came into office with an infant mortality rate in Manitoba of approximately 20 deaths per 1,000 live births which is unacceptable. An industrialized society should be looking at an infant mortality rate of no more than 14 and the ideal, notwithstanding the fact that I suppose the real ideal is 0, the ideal in real terms is 10; most industrialized civilized modern societies strive very hard to try to get their infant mortality rate down to 10 and keep it at 10.

We made some significant progress in four years. I know that the previous government made some pro-

gress too, because our infant mortality rate in Manitoba was once much higher than 20, but we made some very significant progress of which I was particularly proud to have been able to play a small part at least as Minister and got our infant mortality rate down to about 14 which is, as I say, relatively good. I think that all of us should be striving to move those four units further and get it down to 10, to get it down as low as we can, but certainly the immediate objective is 10, and we should all be working towards that.

Thanks to some child-maternal health programs that we've put in place and some specific expertise through the persons of two or three doctors in particular who took over and headed up Infant Mortality and Perinatal Mortality Programs particularly at the two main teaching hospitals, and some adjuncts that were added such as a High Risk Newborn Transport Program, et cetera, we succeeded in bringing that infant mortality ratedown as I say to approximately — I think it's now about 14 deaths per 1,000 live births for the province.

However, Sir, I think that I'm correct in saying that the rate in the north is still, particularly in Native communities, around the level of 20 which is simply not acceptable and continues to be disturbing and alarming. That is a target on which we should be working with all diligence and in a nonpartisan way. I raise it at this juncture with specific reference to the Minister of Health because the Minister of Health, no matter who he is or who she is or what stripe of government he or she represents, will never succeed in achieving the objectives that we want to achieve in the health status of Manitoba and Manitobans until we get that northern infant mortality rate down and under control.

The first and most necessary fundamental initiative and undertaking in working towards that target and in ultimately attaining achievement of that target is a safe and clean water supply in those communities that do not have such at the present time.

I had occasion to have a number of discussions last year with several representatives and spokesmen from northern communities during the meeting in the Northern Association of Community Councils which was held in Winnipeg, of course, in August of 1981. At that time a number of individuals from specific communities brought this problem specifically and this challenge specifically to my attention.

One was a group from Meadow Portage who were very earnest and concerned about the problem that they brought forward to me and to colleagues of mine in the previous government. I know that my colleague, the Honourable Member for Swan River who was our Minister of Northern Affairs of the day, had moved in a manner in the fall of 1981, some six or seven months ago, to get at that problem in Meadow Portage and I think a number of other communities with similar difficulties. The Minister of the day, the Honourable Member for Swan River, now the chief critic in this department for the Opposition, requested through his department that the Manitoba Water Services Board provide a water supply for Meadow Portage during the 1981-82 Budget year. The funds were budgeted, I understand, for this project in 1981-82. However, the fact that The Northlands Agreement was not signed, forced postponement of that project and it was

deferred, according to my understanding, until 1982-83, the year for which the Estimates are being examined right now.

So, my appeal to the Minister at this juncture, Mr. Chairman, consists of an urgent request to him to address this whole problem of safe water, clean water, related to public health, related to infant mortality and perinatal mortality, related to the index of the health status of a society as conscientiously and as diligently as he can and my question at this junction is: What is contemplated by the department, notwithstanding the uncertain position of The Northlands Agreement, what is contemplated by his department for 1982-83 in the way of meeting the safe water supply needs of communities like Meadow Portage, in particular? And there are others, but I cite Meadow Portage specifically because I met with a group from that community, as I've said, and followed through on their request with my colleague, the Member for Swan River, and I know that he had undertaken an initiative in that regard. One would hope that that initiative will not be postponed unduly.

MR. CHAIR MAN: The Honourable Minister of Northern Affairs.

HON. JAY COWAN (Churchill): Mr. Chairperson, I thank the member for his comments and indicate to him that I agree in full that this an extremely important area, an area which is one much more than a matter of convenience for those residents who are currently residing in communities without proper water systems; but in many instances, as the member has indicated, does have an effect on their health, not only the health of newborn children, but as well, the health of residents who are older and more mature in those communities. So, it is a concern and a situation which we take quite seriously.

I'm pleased to be able to tell him that the community of Meadow Portage is one of those communities which has been priorized for inclusion in this year's water program, and that would include a water supply system for that particular community. I would have to provide more detail if the member is interested in the specifics at a later date, but I did want to assure him at this time that that is one of our priorities. I, of course, discussed this matter with the Member for Dauphin and he has impressed upon me many of the same things which were impressed upon the member opposite by the delegation which visited him and the member has relayed to me at this time.

MR. SHERMAN: Thank you, Mr. Chairman. I thank the Minister for that reassurance. I would just ask him if he can go one step further and offer the committee assurance and all of us who are interested in health care and health programs generally, and that certainly encompasses a good many, if not all, of the members on both sides of this House, that within the thrusts and the initiatives of his department in the coming year and indeed for the mandate for which his government has been elected that strong efforts will be made to build and expand and reinforce clean water supplies for northern communities. He might turn around and say to me, well, why didn't you do it when you were Minister of Health? That's a fair ques-

tion. I just want to assure him that I was trying to and I'm sure that his colleague, the Minister of Health of the day today, is trying to, but you can't do it alone. You have to have the co-operation of the Minister of Northern Affairs; you have to have the co-operation of the Minister of Finance; you have to have the co-operation of all your colleagues, obviously.

It's an extremely complex challenge for any government of Manitoba anyway because of the vast distances and the disparate locations of our remote communities in the north and because of the geographic and climatic conditions that one faces. But sooner or later somehow it's got to be done. It can't be done in one year, or perhaps it can't even be done in four; but it has to be worked at in a steady and progressive way so that it can be done in an appreciable number of years that don't extend too far into the future in order that health programs, that are delivered to northern and remote Manitobans, can work. No health programs can work if they are delivered into a community that lacks basic clean water. Anything that works in that kind of an environment works because of luck. It certainly doesn't work because of amenable conditions, and in order to carry the programs throughout the province and into those communities that the Department of Health has in its planning component. I know because I was there and I was associated with it and I assume that any government will continue with the development of the initiatives with which I have some knowledge and familiarity.

For any of them to work in remote and Northern Manitoba there has got to be that basic fundamental support that's required in every country of the world, in every underdeveloped area of the world, in every difficult climate of the world, in every under-industrialized area of the world, the need for safe and clean water. One can spend all one's time, energy and interest in good work slaving over that kind of advancement in Africa or southeast Asia, in arid desert regions of the world, or in jungle areas of the world, but we've got a job to do right here at home.

I think charity, although necessary for those extraterritorial regions that I have mentioned, is a good thing; it begins at home when we face the kind of challenge that anyone associated with the Manitoba health picture knows we historically and endemically face here in Manitoba.

So, I would hope that he could give us the assurance that there is a will to pursue initiatives of that kind with vigour in the next one, two, three yearts.

MR. COWAN: There certainly is that will, Mr. Chairperson, and I only wish that it could be done in the next one, two or three years, but I assure the member opposite that we will continue that will, and as long as we have that will we will continue to try to find a way to make that safe water and sewer system, specifically safe water system in Northern Manitoba, a reality as quickly as is possible.

The member is totally correct when he indicates that there are some problems which are logistical problems due to the isolated nature of the communities; due to the type of geography which one has to deal with, and we are attempting as did his government, as has every government, to find the most efficient and effective way to put to use our money to

ensure that these programs are brought onstream as quickly as is possible.

I've indicated to him that the one community which he addressed specifically, that of Meadow Portage, will be one which we will be priorizing in looking at over the next year. There are a number of other communities which we'll be doing the same, but I want to assure him that because we priorize a community does not in any way indicate that we don't take into account the needs and the desires of other communities which are going without those safe water systems and we will try to bring them onstream as quickly as possible as well.

MR. CHAIRMAN: Item 3.(c)(1) — the Honourable Member for Pembina.

MR. DONALD ORCHARD (Pembina): Thank you, Mr. Chairman. I assume under the appropriation that we're discussing, Community Works, that this would involve delivery of services to reserve communities in Northern Manitoba — no?

MR. COWAN: Perhaps I'm misunderstanding the intent of the member's statements, but we don't actually provide those services or the services which we are addressing in this area to reserve communities. That would come, of course, under the Department of Indian Affairs and Northern Development at the federal level. There are some services which are complementary, which would come under this system, but as far as providing a service on reserve, this would not be the area we'd be discussing that. These are services which would provide specifically to the Northern Affairs communities.

MR. ORCHARD: Well, okay, the Minister did indicate in his opening remarks and at one opportunity I had to listen to his remarks, that it was his intention to provide more services to the Native peoples of Manitoba which I think, if I recall correctly, he termed as the neglected, to some regards, the neglected people by previous administrations, not singling out any particular administration, and that he - I assume he indicated that it was his desire and his government's desire to assure that did not happen, that services that could be justified, that had a legitimate need, would be addressed by his department and the Provincial Government. His Legislative Assistant also encouraged that kind of activity, and I would assume that with the appointment of the MLA for Rupertsland as his Legislative Assistant and that member of the Legislative Assembly being a chief of one of the larger reserves in Northern Manitoba or one of the newer and upcoming reserves in Northern Manitoba, if I could put it that way, would indicate it clearly a direction that this government intends to pursue to put that extra bit of emphasis and recognition to the MLA for Rupertsland in making him this Minister's Legislative Assistant. I would only assume and if I'm incorrect I would assume that there may be as there has been in the past with the Canada-Manitoba Northlands Agreement some emphasis on airports; some emphasis on community roads on reserve communities; and that is a program which through the contracting expertise in the Department of Highways that during

the term that I had anything to do with construction on reserve communities, my department oversaw the construction of those types of physical facilities, roads, airports.

I would like to ask the Minister if he believes that was a reasonable arrangement to use the expertise in the Department of Highways and Transportation for pending road construction programs, airport construction, and whether he would continue the arrangement, and I believe it might have even gone back to the Schreyer Government years, I'm not certain — the Minister indicates that it hadn't — but is it this Minister's intention to carry out or to continue that liaison with Highways and Transportation in construction of roads, airports, or is it his intention to perhaps pursue parallel capacity in the Department of Northern Affairs to undertake those kinds of construction endeavours?

MR. COWAN: It's my understanding that shift in responsibility for those types of construction projects was accomplished in '77-78, and we have reviewed a number of changes which have been made and I can indicate to the member at this time that we do not anticipate making that change or the change which he suggested might be made in the near future. Let me be more specific so that there's no misunderstanding. We do not anticipate removing that responsibility from the Department of Highways and Transportation at this time.

MR. ORCHARD: Well, Mr. Chairman, I'm indeed encouraged to hear that answer from the Minister because we are, on this side of the House, as I mentioned in my opening remarks, somewhat concerned about the direction that his department may take in some of the lapses that potentially could occur in this Minister's department with the Deputy Minister leadership that his department now has, and that concern is one that manifested itself in some of the problems we encountered in the transfer of that responsibility for construction of airports and roads from a former department under the previous administration, and I believe that at one point in time, his Deputy Minister had the Ministerial responsibility for that. I'll be specific into some of the problems that we encountered upon assuming that responsibility in the Department of Highways and Transportation.

We discovered roads that were built in which the province, the Crown, the people of Manitoba, did not own the right-of-way upon which those roads were built. There was access roads to airports, and one community was particularly evident and in the news and that being Norway House, where the province, the people of Manitoba, the people of Canada, had considerable investment in an airstrip at Norway House and there was one problem with it. The access to that airport was over property which belonged to the Federal Government, not to the Provincial Government, and from time to time when a disagreement or dispute would crop up, band members of Norway House would rightfully say, "We own that road and you cannot use it."

We undertook in the Department of Highways, both myself and my predecessor, the MLA for Lakeside, to resolve some of those very thorny right-of-way problems wherein construction was undertaken by the

Schreyer administration without owning that right-ofway. Now, common sense would tell you that is not a prudent way in which one would undertake the spending oftaxpayer dollars. It leaves all sorts of loose ends which can be manoeuvred, can be used to the disadvantage of the taxpayer, and indeed to the disadvantage of the people you are trying to serve by having those airport facilities in place and those roads in place.

Our concern on this side of the House is that those kinds of things happened during a term in which his now Deputy Minister had full Ministerial responsibility. I'm pleased, Mr. Chairman, with the assurance that this Minister has that he will steadfastly avoid the mistakes his Deputy Minister has made in the past and that he will follow the kind of policy direction that we took in our administration of not building roads using taxpayer dollars anywhere in the province, including on reserve communities, without the people of Manitoba owning the right-of-way on which those roads were constructed.

I think a policy which all Manitobans would insist that any government would have, a policy, Mr. Chairman, which the former Schreyer administration did not undertake. And I can only attribute that to less than capable leadership during that administration and during the Minister responsible for that department. It led to a number of serious problems. We resolved some of them: we resolved the right-of-way problem at Split Lake, and as a result that access road was completed into that community as the community desired, as we in government, in the previous, in the Lyon administration desired. It was unable to be undertaken because the Schreyer administration and their Minister had not seen fit to assure that right-ofway was in the title of the province. We resolved the problem in Norway House so that now the Province of Manitoba, the people of Manitoba, do own the rightof-way to the Norway House Airport. Now, certain activities which had been going on illegally can now be carried out quite legally and I'm sure the Minister knows what they are and I don't have to refer to them in the House.

But it did represent a major problem that we had, in our term of government, in delivering road services, airport services, to native communities in Northern Manitoba, and it was a serious oversight by his Deputy Minister in his term in the Schreyer government.

As I say, I am very pleased, Mr. Chairman, that this Minister doesn't intend to remove from the expertise of the Department of Highways and Transportation responsibility for tendering and assuring the successful completion of those roads and airports because there is one thing that the Department of Highways and Transportation and the senior staff in that department will not do, or would not recommend to any Minister to do, I'll put it that way. They may be required to do it but they would never undertake a construction project anywhere in the province until the land issue has been resolved and that the Crown, the Province of Manitoba, owns that right-of-way, or has an expropriation proceeding undergoing underway so that they will own the right-of-way that road or that airport is resting upon.

So that I'm pleased that this Minister will continue to follow that very wise course of action that we undertook in '78 to bring that kind of expertise into the delivery of infrastructure servicing in Northern Manitoba. The department can handle it very well, very efficiently, and assure that all Manitobans get, not only fair value for their tax dollar, but also that all Manitobans can use facilities in which they have invested their hard-earned tax dollars. Such was not the case under the Shreyer administration with his Deputy Minister as Minister. And I'm pleased to see that the present Minister will not fall into that trap and will not take that kind of advice from his Deputy Minister.

MR. COWAN: I can only assure the Member for Pembina that I will attempt to learn from the mistakes of all my predecessors in this particular office, that including the First Minister of Northern Affairs in this province, that including the Commissioner of Northern Affairs who preceded him, and that including the most previous Minister of Northern Affairs and the mistakes that he made. I value those lessons, and I think that it's important that we do learn from them.

I'm not suggesting that I agree with the statement which the Member for Pembina has just put into the record but I certainly do appreciate the fact that he felt it necessary to do so and to provide me with that sort of advice. I would only want to assure him as well that I will try to learn from my own mistakes, which I will make from time to time, as he did he most likely in his role as Minister of the Crown, and when he points those mistakes out to me I will attempt to take his criticism the way in which it is intended to be directed towards me and I will try to, if I agree with him, make the necessary changes which will ensure that the mistakes which we make are as minor as they can be.

So, I look forward to him from time to time, not so much dwelling on mistakes of the past because there's, in most instances, very little we can do about those. But keeping a vigilant eye on the department and the government in providing us with his valuable comments and concerns when we do, as we will from time to time, make mistakes.

**MR. CHAIRMAN:** Item 3 — the Member for Swan River.

MR. D. M. (Doug) GOURLAY (Swan River): Thanks, Mr. Chairman. On Friday there was some discussion with respect to the present state of the Cross Lake water supply and I'm just wondering if the Minister, he may have indicated this, is the intake supply, or facilities, all completed and functioning properly at the present time?

**MR. COWAN:** It is my understanding, Mr. Chairperson that the intakes are completed and that the water quality is of a safe quality at this time.

I'd also, while on my feet, like to answer a question which the member had addressed to me on Friday considering honorariums. It is my understanding that the present total amount paid to elected officials is 73,400. That would be the amount for the last fiscal year. We intend, through our new proposal, to increase that amount to 138,400 or by \$65,000, the amount which I was able to provide to the member on Friday. As it is now, the amount paid to any elected official is

based on a maximum of \$500 per annum for each mayor or chairperson and a maximum of \$300 per annum for each council or committee member. I believe that does have some relationship to the number of meetings which they attend as well.

MR. GOURLAY: I'd like to thank the Minister for that information. In getting back to the water supply at Cross Lake I believe the Minsister indicated in the previous sitting of this committee that in excess of some \$300,000 had been spent on this installation, and as I understand it, this original installation at Cross Lake was put in back several years ago — As I understand it that was under the full responsibility of the Department of Northern Affairs at that time and it was recommended by staff that a more sophisticated water supply system should be installed. That advice was ignored by the Minister of the day, and the intake supply consisted of suction pipe or equivalent, from a source that was well above - within the licence of the Hydro people to restrict the flow of water to Cross Lake. As I understand it, advice was given to the Minister that a more sophisticated water supply should have been installed originally which would have cost, that I think estimated at that time in the neighborhood of \$100,000 or \$125,000.00. That wasn't done and so we ran into the situation that we experienced here a year or so ago, where Cross Lake were without water and subsequently the present system had to be initiated. As the Minister mentioned the other day costing in excess of some \$300,000.00. So that again in relationship to the comments and the questions posed by the Member for Pembina with respect to road systems, I would hope that the Minister would also continue to use the advise and services of the Water Services Board in supplying the expertise to the various northern affairs communities.

Further to the Minister, I wonder if he could tell us with respect to the proposed school construction at Cross Lake, and also a number of businesses have requested to be included in the water distribution system, if that arrangement has now been completed as far as the plans in extending water to businesses and to the new proposed school in Cross Lake.

MR. CHAIRMAN: The Honourable Minister.

MR. COWAN: I believe the member should be made aware that the amount which we indicated was spent just recently with respect to dealing with water problems at Cross Lake, also included additions and an enhanced service which took into account a distribution system which was not contemplated at the time that that system was put in place. So part of that money, in fact, would have had to have been spent in any case. I think the member will agree that when you're dealing with getting any safe water supply into a community that sometimes you have to go with the basic level of service knowing that further on down the roadyou're going to have to enhance that and that it's going to mean increased costs on the part of government. So I don't accept all of his criticism but I do kindly appreciate the advice which he has given me in respect of trying to plan as far ahead as possible. It will not always be possible, sometimes one will be able to plan ahead and yet have to make some

value judgments as to how much you can spend at a given time, knowing that as the member's colleague said not too long ago, you want to get that safe water supply in there as quickly as possible because it is of major importance to the health of many residents in that community.

I must also inform the member at this time that we do intend to transfer some of the northern sewer and water program from the Water Services Board to the Department of Northern Affairs. We are going to do it in such a way to allow us time to analyse and see if, in fact, that can be accomplished in an efficient and an effective way. We are doing so because we've encountered some problems in the past in the provision of that service in the manner in which it is at the present time. So we want to see if we can do something about that, if we can't we're prepared to look at a transfer back. We are doing this to attempt to determine if we can provide a more efficient service. I know that the Member for Swan River will be watching that carefully and providing us with his comments as they become known to him, or as he has an opportunity to analyse our efforts in this regard.

In answer to his specific question respecting the capacity of a new system to include the school and some businesses in the community I can inform him that the system is being designed with those additions in mind

MR. SHERMAN: Mr. Chairman, when the Honourable Minister was on this side of the House he was a vocal and active member of the Opposition, which I suppose is the reason why he's a member of the Treasury Benches today, or one of the reasons why he is. And that's as it should be in the parliamentary process. But one of the things he was most vocal and critical about was the northern patient transportation program. I fully recognize, Sir, that the Northern Patient Transportation Program comes under the Manitoba Health Services Commission, it comes under the Estimates of the Department of Health, and not under the Estimates of the Department of Northern Affairs. But the Minister of Health in his capacity as a critic of the Health Department when the government was in Opposition, and the Minister of Energy and Mines in the present government, who also was a Health critic, had very little, if anything, to say about the Northern Transportation Program. Most of the commentary and criticism came from The Honourable Minister of Northern Affairs, and I would like to raise the question with him at this point, under Community Works, feeling as he did at the time which I'm not sure was justified, I'm sure it was sincere but I felt that his criticisms were in large part unfounded, feeling as he did at the time and being a northern representative, representing one of the major northern constituencies in this province, and being the Minister of Northern Affairs what action, if any, is he taking to ensure that some of the things he was asking for with respect to the northern transportation program are being looked at.

MR. COWAN: I am, Mr. Chairperson, providing, I believe equally vocal, although not equally as public statements in respect to the need for that service, and hopefully when we do discuss those items over the

next number of months and years, we will be able to judge the effect of those statements versus the effect of public statements. I hope in fact that they are effective, but I can assure the member opposite that I still have those concerns about the system; that I will have those concerns about the system as long as the system does not address some of the needs which I believe it should address, and that I will make those concerns known in what I believe to be the most effective way possible.

MR. SHERMAN: So we can rest assured, Mr. Chairman, that the matter of northern patient transportation is still a matter of interest and concern to the Minister who is the Honourable MLA for Churchill and thus is representative of a vast region where Northern Patient Transportation Programs are very important. Well I'm pleased to hear that, Mr. Chairman, and I would hope that if there are shortcomings in that program, and needs and requirements to reinforce it and improve it that he won't let his workload as Minister of Northern Affairs, which is considerable, impede his participating in some initiatives that he might feel are worthwhile with respect to northern patient transportation.

He had mentioned specifically that he felt that there were decisions that were not made on the local basis, the autonomous basis that he believed they should be made, that there were decisions of a somewhat bureaucratic nature being made from some distance that did not address the specific locally known, locally experienced needs, interests, and requirements of citizens and residents of individual northern communities. He also had some strong criticism about the funding of the program as I recall, notwithstanding the fact that some changes in budgets had taken place because funds had been underexpended in preceeding years. So I just would remind him that as one who has an ongoing interest in the spectrum of the Health Department, that while I recognize that he's got a full working day, and a full working week as Minister of Norther Affairs, I expect him to put in his Sundays working on the northern patient transportation program.

MR. COWAN: Well, it will have to be Sunday evening then, because the Sundays are already occupied with things which need to be done. But I don't mean to be facetious about the comments which the member has provided. I can assure him that if I should, from lack of time, overlook this particular problem, then my constituents as they have done in the past, will jog my memory as only they can do with their vocal representations and spur me on to action, albeit action of a somewhat different nature.

I do look forward to the member, as previous Minister of Health, coming forward and assisting in that task, when he believes he can be of assistance to improving that program. I'm not saying that he's suggesting now in Opposition that it needs improvement. But if it does come to pass that he believes that it would need that type of improvement then perhaps we can address the issue with the Minister of Health from somewhat different perspectives, but in all sincerity, nonetheless.

MR. ORCHARD: Well I want to follow up on some of the points that the MLA for Fort Garry had made on the Northern Patient Transportation Service because if I choose my words incorrectly I know the Minister will be ever-forgiving but I was in essence the brunt, or received the brunt of the attack by the now Minister when he was MLA for Churchhill in a resolution that was before the House to specifically move the Air Ambulance Operation from Government Air Division in Winnipeg to Thompson. It was the now Minister's sincere criticism of the program the way it was structured under our administration, the way it was structured under the Schrever administration, and I assume the way it is structured under this administration to date, that program and that stationing of the Air Ambulance Aircraft out of Winnipeg left a lot to be desired in terms of its ability to service the urgent medical needs of residents in some of the communities he represented and still does and indeed some of the residents in other northern communities.

He made some very poignant arguments back in the good old days when he was in Opposition and made a case that our governement could not afford to dally a day longer before we were to relocate the Air Ambulance Service from Winnipeg to Thompson. And I would like to ask the Minister if he has received as, I think it would be fair to say, the most senior government MLA from Northern Manitoba, since he is I believe, yes I believe, the only Treasury Board Member from Northern Manitoba, whether he has received ongoing request from such groups as the Thompson Health Care Workers Association; from the Steel Workers Unions who are represented in a number of communities in Manitoba, Leaf Rapids, Lynn Lake; whether he has received representation from the community of Churchill; and a number of other interest groups who apparently whilst he was Opposition member did provide him with, I believe, the basis for some of the arguments that he made whilst in Opposition for moving that service from Winnipeg to Thompson. Have those groups been back in touch with him now that he has a direct access to the ropes of power and can make those kinds of things happen. Has he had those kinds of representations from those groups?

MR. COWAN: I can't indicate that I've had those representations from all the groups which the member mentioned. I could probably fairly safely say that I expect I will have those representations from all the groups that the member has answered over the next period of time. I have had some representation in this regard. I'm looking forward to the member opposite assisting me, all the members opposite assisting me, as I attempt to provide some support for this move, which I believe is an important move, now that there is a different opportunity to pursue that option. I note that in my four years in these Chambers. I believe it was only one Resolution, Private Member's Bill, which I had passed, and that was one of the Private Members' Bills that was passed, or Private Members Resolutions, excuse me. I was pleased with that, I was somewhat honoured by it, and I'm now going to ensure that my collegues know that we have full support for that change as we did just previous to the change in government as indicated by the passage of that particular resolution.

MR. ORCHARD: Well thank you, Mr. Chairman. The Resolution that the member refers to, I think if he reads it back as no doubt he will, did not undertake to make such a move but rather to investigate the advisability of. So that even though that Resolution passed and was one of the few ones that seemed to reach that passed stage, it did not commit our administration to make that move only to study the advisability of it. I would like to ask the Minister if, although we were given access to a number of party campaign promises, such as interest rate relief and reducing the burden of property taxes and overall N.D. Party promises which received substantial headline billing during the election campaign. I'd just like to ask the Minister if he or the M.L.A. for Thompson or the MLA for Flin Flon or the MLA for Rupertsland or The Pas undertook and made a campaign commitment that a move would be made by their administration, if elected, to relocate the air ambulance service from Winnipeg to Thompson.

MR. COWAN: I would hesitate to directly confirm that, but certainly by implication of the Resolution which we put forward the people of Northern Manitoba know that we were actively considering that. I don't know and I would not want to speak on behalf of my colleagues without having had an opportunity to discuss the matter with them specifically as to whether or not they made a specific statement in that regard. I can undertake to do so if the member opposite wishes and provide him that information at a later date, but the implication and the inference is certainly there.

MR. ORCHARD: I would appreciate that undertaking on behalf of his other colleagues, then could the Minister provide us with the information as to whether he made that campaign commitment during the election?

MR. COWAN: If I didn't, I probably should have.

MR. ORCHARD: I think the record should note that the Minister hesitated some considerable time. It would seem as if he, like his leader, the now Premier, made a number of commitments that maybe they regret at the present time.

Now, Mr. Chairman, if the Minister pursues his obvious desire for relocation of the air ambulance service, is it his intention or possibly has it even been initiated now to study the overall economics as well as information on the service capability on such a move? Will such a move be undertaken after a renewed investigation as to its feasibility?

MR. COWAN: I would have hoped the Minister who was responsible for that particular service previously and the now Member for Pembina would have initiated those sorts of detailed studies as a result of being given direction through a Resolution of this House which was passed asking the government to consider the advisability of such action.

I would suggest to him as well that these questions can more appropriately be addressed to the Minister of Highways who is more fully aware with the specific detail for which the member is asking at the present time. I can only suggest to him that I have made my thoughts known in this regard. I can assure him that

the hesitation which he pointed out on my part was not arising out of any regret for any campaign promises for which I did or did not make. It was just an attempt in my own mind to satisfy myself that I was giving him as accurate a statement as possible, but I am not backing away from that Resolution which was passed in this House nor am I backing away from the support which I have provided to this concept. I can only suggest that as we move closer to it, those types of studies which the member has outlined will be undertaken as a matter of due course.

MR. ORCHARD: Mr. Chairman, the Minister indicates that a study would be undertaken and made some reference to the fact that it should be in process and the Minister might refresh his memory on the reason why I'm asking these questions today then. Practically every other policy that we have established whilst we were government is now under review and because it was a Progressive Conservative policy is subject to a great deal of suspicion as to its applicability by this present administration. I have no doubt whatsoever that any information that was acquired by myself as Minister during my term of responsibility would be viewed with likewise similar suspicion. My question was quite directed and quite pointed in that, since all other undertakings are under review, I had little hesitation that this one also would be under review in hopes of finding some grave error with the manner in which we were proceeding when we were in government.

Mr. Chairman, I might, before I move on to another subject just indicate to the Minister that whilst he is making his recommendations, it would be helpful to all of us to ascertain what sort of additional costs, if any, are associated with that kind of a contemplated move. Mr. Chairman, I submit we always come to the conclusion in this Chamber that you cannot ascertain a value for life and pursuing that to then th degree, we would do many, many things that we don't do now. I supppose, in the pursuit of Utopia, you sometimes can achieve it and one must be very careful always to reach that very delicate balance of responsible use of fiscal resources with what seems to be an unending demand by the consumers of those services for ever improved and more available services. This Minister has already said that he will very delicately balance all of those requests for services in all fields with the available resources. The Minister indicates he will attempt to and I think that is what most governments do is attempt to balance those demands with the fiscal capacity to carry them out.

Mr. Chairman, I would like to ask the Minister is it his intention under Resolution No. 7, Acquisition and Construction of Physical Assets, to provide the House with a list of projects which he and his department hope to undertake in terms of airport construction, road construction and various other construction undertakings?

MR. COWAN: As the member indicated earlier, the responsibility for airport construction has been moved over to the Department of Highways. He can address that specific question to that Minister, however we will provide him with a list of those projects which we intend to undertake under the responsibility of the

Department of Northern Affairs.

MR. ORCHARD: Ah, now here's where I must admit I didn't follow Northern Affairs' Estimates last year. It was my understanding that with, for instance, airports and roads although they were undertaken by the Department of Highways, it was under funding approved in Northern Affairs. If I'm incorrect, I will stand corrected, and I was just wondering if even the capital expenditures that will be undertaken by the Department of Highways and Transportation at the behest of this Minister's department will be listed under Acquisition and Construction with a recoverable from Highways and Transportation?

MR. COWAN: We can address a specific question which the member has asked in vote 19 - 8, which is the Canada-Manitoba Northern Development Agreement that is where many of the funds are contained but the responsibility for the program would then be under Highways.

MR. CHAIRMAN: For clarification that would be Resolution 121, number 8.

MR. ORCHARD: Fair enough, thank you.

MR. CHAIRMAN: 3.(c)(1)—pass; 3.(c)(2) Other Expenditures—pass; 3.(c)(3) Regional Local Services—the Honourable Member for Swan River.

**MR. GOURLAY:** I wonder if the Minister can outline the duties that are performed, any major changes contemplated in this area?

MR. COWAN: The major activities of this branch, Mr. Chairperson, would be the provision of major maintenance services in regard to specific regional and community facilities such as approximately 200 miles of road which come under the responsibility of the Northern Affairs Department; 40 water and 5 sewer systems and 3 diesel generating plants. We provide supervisory and technical expertise in carrying out department projects, as well, we assist the communities in delivery of various self-administering community work projects such as roads, buildings, garbage facilities, water and sewer systems and subdivisions.

Under this appropriation the 1981-82 adjusted expenditure was \$415,000.00. We are asking for in 1982-83, \$470,500 or an increase of \$55,500.00. That increase is due to \$65,000 increased funding for intercommunity road maintenance; \$23,000 increased funding for major water sewer and system maintenance; and a \$17,500 inflationary increase. There is one non-reoccuring item in this section of the Estimates and that's the Dauphin Maintenance Building Warehouse which was included in last year's Estimates for a total of \$50,000 and does not show up in this year's Estimates because it is non-return item.

MR. GOURLEY: Yes, I wonder if the Minister could indicate how many generating plants are operating at present. I understand the Minister indicated that there are three. Do you anticipate any of these to be replaced by hydro power in the coming year?

MR. COWAN: We are now, as a department, presently in discussions with Manitoba Hydro to investigate the feasibility of tying them into any landlines which may go through that area or may be brought into close proximity to the communities.

MR. CHAIRMAN: Member for Pembina.

MR. ORCHARD: Could the Minister expand on that and indicate which communities you are in discussion with hydro and providing that kind of land service.

**MR. COWAN:** Those communities would be Loon Straits, Princess Harbour and Big Black River.

MR. ORCHARD: Thank you Mr. Chairman, in item 3 that the Minister just provided some figures for, are any of the maintenance of roads, those maintenance agreements that are also enforced with the Department of Highways and Transportation, whereby they provide at a recoverable to Northern Affairs Department, the maintenance blading and gravelling dust control?

MR. COWAN: Yes, that is the case and I understand it's mostly in the Dauphin area that we have those sorts of agreements.

MR. ORCHARD: Those types of agreements don't extend to other communities that operate out of, for instance, the Thompson District Office or sub-office of the Highways Department and provide maintenance service with equipment based in Thompson?

MR. COWAN: I understand that, on a selected basis, communities can enter into an agreement with Highways for the provision or services and then it is paid through their community budget. I indicate that most of them are in the Dauphin area, not all of them in the Dauphin area. I just wanted to provide that information to the Member for Pembina as a general overview of where those services are provided but I did not mean to suggest by that statement, nor do I think I suggested by that statement, that there are not other communities that do not enter into this type of agreement as they see fit.

MR. ORCHARD: Is the Minister satisfied with the arrangements between the Department of Highways in terms of maintenance or is he contemplating an alternate arrangement or another system of providing that maintenance?

MR. COWAN: I'd have to tell the member that we are, for the most part, satisfied. I say, for the most part, because I don't want to be held to that statement if, in fact, difficulties do arise. However, we are not contemplating at this time a change in the system.

MR. CHAIRMAN: 3.(c)(3)—pass; (c)—pass. 3.(d) Municipal Support Services, there are no dollar figures attached there, but we can certainly discuss them.

The Honourable Member for Swan River.

MR. GOURLAY: Yes, I was wondering if the Minister could give us the figures for this section and perhaps also indicate the function that is carried out under this area and if there is any proposed changes?

MR. COWAN: Yes, the functions of the Municipal Government Support Branch are in many ways similar to the functions which existed previously. The planned activities in 1982-83 are the organization or topics of local government administration and basic office management procedures into a comprehensive certificate community work program. We are proceeding in this way so as to provide some recognition of the fact that community clerks have gone through this program and have obtained a certain level of confidence as a result of the program.

We, also, are planning to begin development and preparation of training resource material for incorporation to the Clerk program based on the current needs identified by the local Government Services Branch. These needs are: financial reporting; they include some material on how to run a meeting, the procedures for which one runs a meeting or under which one runs a meeting and how to keep minutes; there are all sorts of activities.

We also intend to plan and organize a program for field staff development for the purposes of providing education in topic areas related to local government operation. We want to provide training and development in topic areas directly related to job skill requirements such as monitoring skills, analysis of training needs and training delivery and techniques.

Through the Local Government Services Branch - and I must add that these two work very co-operatively in this regard - we intend to assist in the organization and delivery of training sessions for community officials, to provide them with greater awareness of some of the problems which they are going to face and how to deal with those specific problems.

The tri-annual census of Northern remote communities is due in 1982. I believe that is undertaken as part of this particular branch's activities. We will continue to maintain and operate the departmental library.

In all fairness to the Minister responsible for this department previously, I'd like to point out some of the things that did happen in the last year in this particular area. There was an election manual which was prepared for use in training election officials for Northern community elections, those elections which just took place previously in February. This manual was also used as a guide in the actual performance of election duties so it serves a dual function. I believe the satisfactory way in which those elections were accomplished points out that this, in fact, was a good manual and was put to good use.

I might also add that since the elections we have been attempting to hold orientation sessions with new community councils and community committees in order to further acquaint them with their duties and responsibilities under the legislation and under the regulations.

There was a slide show put together on council duties and this was used in conjunction with the manual. The manual has not yet been completed. I might add there was an adult review study which was put in place to evaluate community training needs and

administrative skill development needs. There was a redesign of the community financial report. We hope that will encourage the better use of that form. Also a financial reporting manual was prepared to explain the content and the use of that financial report, so those two activities went hand in hand.

There was some work done in respect to the tax role administration manual and regional training was delivered for programs falling under municipal assessment and taxation, land management and time management.

The member asked for specific details on funding. There is an increase of three staff person years, from six to nine in this year's request, and there's an increase of \$1,200 which we will take in the consideration on merit increments.

MR. GOURLAY: Mr. Chairman, I wonder if can get the dollar amounts for this section?

MR. COWAN: In 1981-82 the adjusted amount was \$137,500; in 1982-83, as per our request, it's \$203,700 for an increase of \$66,200; \$65,000 of that increase goes to the addition of three new training positions and as I indicated earlier, \$1,200 of that increase goes to merit increments. Now again, these are 100 percent figures that I'm providing to you at this time.

**MR. CHAIRMAN:** With your permission we'll move to Item 3(e) Grants.

MR. GOURLAY: I wonder if we could get the figure amounts of the other ones that are listed there?

MR. COWAN: I believe it's (d)(1)(b) is that correct? The (d)(1)(b) Municipal Support Services, Other Expenditures, the 1981-82 adjusted amount is \$43,500. The request for 1982-83 is \$72,000 which is an increase of \$28,500.00. The \$25,000 of that increase is due to additional operating funding for the three additional training positions, that would include their expenses; their travel expenses, their offices expenses and those sorts of added costs which are going to be incurred as you add staff and \$3,500 dollars of that increase is due to inflation.

**MR. CHAIRMAN:** (d)—pass; (e) Grants — the Member for Swan River.

MR. GOURLAY: I wonder if the Minister could provide us with a list of the different organizations that are receiving grants and the dollar amounts.

MR. COWAN: For general information the Native Communications Incorporated will be receiving \$112,900; the Northern Association of Community Councils will be receiving \$199,100; the Manitoba Metis Federation will be receiving \$150,000; the Four Nations Confederacy and the MKO will be receiving \$150,000 as well, which will be split on a per capita basis, according to a formula which is yet to be finalized; and there is a \$17,800 supplement to a tax-sharing grant.

MR. GOURLAY: Mr. Chairman, with respect to the Native Communication Incorporated, I understand

that the New Nation Publication is temporarily shut down. As I understand it they are awaiting the results of a feasibility study and I'm just wondering, has the Department of Northern Affairs provided some funding to NCI with respect to this feasibility study?

MR. COWAN: I'm aware from having read the last issue of the New Nation, that in fact this is the case. We have not been approached with a specific request to participate in the feasibility study to my knowledge. However, I can check to see if there has been a request made at the staff level of which I'm not aware of at the present time.

**MR. CHAIRMAN:** (e)—pass. That completes the items under Resolution 116.

THEREFORE BE IT RESOLVED THAT there be granted to Her Majesty a sum not exceeding \$5,800,900 for Northern Affairs, Environment and Workplace Safety and Health, Local Government Development, for the fiscal year ending the 31st day of March, 1983—pass.

We can continue on to Item No. 4. Agreements Management and Co-ordination, Resolution No. 117, 4.(a) Canada-Manitoba Northern Development Agreement. Again there is no dollar amount but we could discuss the items if it's the wish of the Committee.

The Honourable Minister.

MR. COWAN: Perhaps at the onset of this discussion I can distribute one document, a number of which I have in my possession we'll distribute, entitled "Consultation Canada-Manitoba Northern Development Agreement." This is the document which we have put together as a result of the consultation process, which was undergone just recently.

MR. GOURLAY: Mr. Chairman, I wonder, is the Minister planning on giving us a brief introduction to this section and perhaps briefly indicate the results of the consultation process?

MR. COWAN: The Agreements Management Coordination Division has two major Federal-Provincial Agreements expiring on March 31st, 1982. These of course are the Canada Manitoba Special ARDA Agreement, and the Canada-Manitoba Northlands Agreement. In regard to the Special ARDA Agreement, the northern Native representatives of the Special ARDA Committee deserve a great deal of commendation for their hard work in reviewing, revising and recommending a renewed agreement to the Federal Minister responsible, who at that was the Honourable Pierre DeBane, and at a later date to myself. They have made a strong case to both levels of government that they view this instrument to be a viable mechanism to increase Native participation in community economic development activities. I expect approval from my government shortly to formalize a new agreement prior its expiry affecting the program negatively. In other words, we hope to have that agreement signed previous to the expiration date.

Similarly the renewal of the Northlands Agreement has been preceded by 10 consultation meetings with representatives from northern Native organizations.

I've just forwarded two members on the opposite side a booklet which outlines much of what was determined as a result of those consultation meetings. The most recent consultation meeting was held February 25th. This meeting was co-chaired by the Federal Minister responsible at the present time the Honourable Herb Gray, and myself. This final consultation meeting gave representatives of northern organizations the opportunity to present their views directly to the responsible Ministers of both levels of government. What we have provided to you in that consultation booklet I believe is an outline of many of the discussions which took place during these consultation meetings and so we can go through those in detail if you wish as you've had an opportunity to read through that particular section.

At this meeting on February 25th, it was agreed that we would explore mechanisms that would permit ongoing consultation under a new Northern Development Agreement and that the priorities expressed by the Native representatives were similar to the priorities of both levels of government. The staff of both levels of government have been directed to continue active and intensive negotiations to conclude an agreement with the least possible disruption. In addition to these pressing responsibilities the Agreements Management and Co-ordination Division will provide ongoing management of the Northern Flood Agreement and will endeavor to facilitate and actively seek solutions to issues arising from the terms and conditions of that agreement for which Manitoba has direct responsibility.

New initiatives to be undertaken by the Administration Agreements Management Division this year include development and implementation of a Native participation policy to ensure the employment of northern Natives within the public and private sectors.

MR. GOURLAY: Mr. Chairman, with respect to the ongoing negotiations that has taken place previously, we had a consultation process with various individuals and organizations throughout Northern Manitoba, and for the most part, the thrust from those consultation excercises repeatedly indicated that there should be more emphasis on employment opportunities and economic development. These were worked in some detail into the proposed agreement that was subsequently rejected by the federal people. Also with respect to the economic development, the development of an extensive road network to provide access to resources in the north, whether it would be mining, or forestry, or fishing, or tourist promotion. For the most part this was rejected by the federal Minister.

So I'm just wondering, I haven't had a chance to look at this book that has just been sent over to me, but I'd be surprised if the input from this consultation process would be all that much different. I think that most of the northerners continue to emphasize the lack of employment opportunities, and the lack of access to resources, and I'm just wondering if the Minister may want to comment on that aspect of a new agreement.

**MR. COWAN:** The consultation process did in fact build upon previous activities, both the Federal and the Provincial Government. It was undertaken in such

a way as to ensure co-operation of those two governments in its implementation. It did identify the need for human development programs, very specifically and as a top priority. It also specified that actions to facilitate northern Native employment should be included in those human development programs. Community infrastructure such as sewer and water services, community roads and airstrip upgrading, and in some instances the initial provision of airstrips was also addressed. Finally we found that there's a very strong desire on the part of those persons coming forward to make their views known for an ongoing consultation mechanism to allow northern organizations and individuals to review and advise on the agreement priorities and programs as the agreement unfolded.

On December 18th, I had a meeting with the Honourable Pierre DeBane to discuss the continuation of the Northern Development Agreement, or the Northlands Agreement. At that time, we agreed to undertake this consulation; we had consultation specific to nine northern organizations in which we sought their views and priorities on northern development. On February 25th I met with the Honourable Herb Gray. Over supper we had a good discussion in this regard and then went to the consultation meeting at which time the organizations confirmed the priorities which they had been fighting over a number of years, and had identified during consultation.

Currently staff officials are meeting on an ongoing basis to formulate a new proposal to be reviewed by the northern organizations and hopefully we will be able to reach an agreement with the Federal Government on the basis of this activity.

MR. RANSOM: Mr. Chairman, I believe the Minister said that he would seek agreement from his Cabinet to proceed with the signing of a new Special ARDA Agreement. Does that mean that the contents of the agreement have been worked out and it's simply a matter of getting approval to sign the agreement, and has the Federal Government agreed to the content of and agreement yet?

MR. COWAN: It's my understanding that it's within the federal system; I can assure you it's within the provincial system and I'm enthusiastic and optimistic about an imminent signing of the agreement, when I say imminent I don't mean today or tomorrow, but certainly I would expect that to happen before there is a great gap between agreements.

**MR. RANSOM:** Mr. Chairman, I wonder if the Minister can advise us then whether or not this new agreement will simply be an extension, in effect, of the programming that was within the old agreement.

MR. COWAN: There will be an extension of much of the programming, if the agreement is agreed to by the signatories. There will be some additional programming as well in the agreement. This, it is my understanding, was programming which was identified by the Special ARDA Committee which had been reviewing the entire agreement, brought forward the recommendations to the Federal Government, brought forward the recommendations to the Provincial

Government. The Provincial Government has accepted those recommendations. I'm of the opinion, although I could be proven wrong, that the Federal Government will probably accept those as well.

MR. RANSOM: Mr. Chairman, could the Minister advise the committee on the nature of those new aspects of the Special ARDA Agreement?

MR. COWAN: I would like very much to do that; however, I believe that since it is a joint agreement that those new provisions should be jointly announced at a time when the agreement has been signed and I can only ask that the member have patience until that time. I can assure him that they are keeping with the wishes of those persons who are going to be most affected by the agreement and in fact do reflect many of the priorities of the Provincial and Federal government.

MR. RANSOM: I realize, Mr. Chairman, that the Minister might not wish to talk about the specifics of what would be in the agreement before the respective governments. Perhaps he could instead inform the Committee of what his priorities would be in this general area of development?

MR. COWAN: My priorities are much in keeping with the priorities which were identified throughout the consultation process and also throughout the implementation of the agreement, because as you are well aware, any agreement has to be consistently and constantly reviewed so as to ensure that it is meeting its original objectives. I also suggest that as we learn more and more about a specific agreement and the implementation of that agreement we will be able to improve upon it.

I would hate to be that much more specific at this time for fear of pre-empting what I believe is an important joint announcement, but I will be prepared at the time of the signing of the agreement to discuss in that detail those specific aspects of the program. My priorities are not that much different than the priorities of the representatives who have brought forth their suggestions and comments on the agreement.

MR. RANSOM: Mr. Chairman, given that the Minister doesn't wish to discuss those items with us, could the Minister give us an indication of the level of funding that would be provided or was that provided earlier?

MR. COWAN: I would dearly love to discuss those items with the members opposite and do commit myself to doing so once I feel that information has gone through the system. I would hate at this point to cause any disruption in that path of those items through their respective systems by prematurely providing too much detail, but I am prepared to discuss it at the time when it is more appropriate.

The cost figures will be roughly the same as they were over the past number of years. I can provide a more specific number this evening most likely.

MR. RANSOM: Mr. Chairman, given that the Minister is reluctant to discuss the content of it and is uncertain as to the dollar figures involved, can be tell us

when he expects that the agreement might be concluded so that we would, along with the rest of the the people of the province, then know what items were included in this agreement and to what extent the funds would be provided?

**MR. COWAN:** Our goal right now is previous to the end of April for a signing of the agreement.

**MR. RANSOM:** Mr. Chairman, I guess since the clock is so close to 4:30 perhaps it would be advisable to leave my next question until tonight.

MR. CHAIRMAN: We're all in agreement that the hour is 4:30, so therefore in accordance with Rule 19(2) I'm leaving the Chair for Private Members' Hour and will return at 8:00 p.m.

### IN SESSION

# **PRIVATE MEMBERS' HOUR**

MR. SPEAKER: Order, please. The time being 4:30, Private Members' Hour.

The Honourable Member for Tuxedo.

MR. GARY FILMON (Tuxedo): Mr. Speaker, I move seconded by the Honourable Member for Kirkfield Park, that INDWHEREAS there is considerable evidence of the continued future reduction in school age population throughout western world countries; INDAND WHEREAS many Manitoba School Divisions are already dealing with the questions of school closings and other responses to the problem of declining enrolments; INDAND WHEREAS there is a great need for parents, educators, administrators, and local elected officials to develop an orderly and rational planning scheme to deal with major changes in school-age population in future: INDTHEREFORE BEIT RESOLVED THAT the Government of Manitoba through the Department of Education appoint a task force to study the topic of declining school enrolments, as it affects future planning for the educational programs in school divisions throughout the Province and bring forth recommendations and guidelines which will be of assistance to Manitoba School Divisions in their future planning.

### MOTION presented.

MR. FILMON: Thank you, Mr. Speaker. In introducing this Resolution in the House. I must say that it emanates from discussions that I've held with many different groups over the past while. Since having become the Opposition critic for Education, I've become aware of, through contacts by people from many school divisions a problem that seems to exist across school divisions throughout certainly the urban areas of this province, but indeed throughout all divisions. It's a problem as the Resolution indicates that is not unique necessarily to Manitoba or to Canada, but probably is common throughout all western world countries as there is a tendency to smaller families. smaller numbers of school age population children and these declining numbers are resulting in declining enrolments. The declining enrolments per se are resulting in decisions being made at the local school division level that are causing a great deal of conflict, if not concern, and certainly emotional discussions and emotional controversies amongst people in this province.

Many Manitoba citizens are concerned with this particular issue and I would like to say at the outset that it's not necessarily a new issue, but it's one perhaps whose time has come. Certainly the school age population was burgeoning throughout the '70s or much of the early '70s as the children of the post-war baby boom children were going through our school system, and then as the peak was over and we went down and started to decline in school population, I suppose all of those involved in education started to breathe a bit of a sigh of relief, and could see their efforts being changed from dealing with greater and greater numbers, to perhaps having an opportunity to look at the quality side of education in a more meaningful way in that their problems were no longer ones of trying to cope with increased numbers, but rather they could focus on perhaps the opportunities for lower student-teacher ratios; a little more elbow room in their decision-making with respect to quality of education items

I think it's only lately that the continued decline in school age population has resulted in schools being determined to be nonviable in their size by school administrators, school boards and others, and that determination that certain schools because of their size are nonviable, of course, is resulting in, as I say, decisions being made by divisions throughout the province based on different sets of criteria, based on different objectives and perhaps based on a different overall approach to the same problem.

Just to put in perspective how recent the problem is, in my view in any case, in terms of its eminence in certain divisions, we like to think of the inner city, the area perhaps that's covered by Winnipeg School Division No. 1 as having been in decline for perhaps a longer period of time as certain neighbourhoods changed in their demographics, and we've thought that perhaps the idea of burgeoning school enrolments has continued longer in the suburbs than it has in the inner city, but I can recall from my time on City Council that since we built a joint-use facility in conjunction with the school that a school such as Tyndall Park in Winnipeg School Division No. 1 has only been constructed within the past few years, and although there have been shifts in areas, shifts in neighbourhoods in terms of population, virtually every school division has been on the tack of building new school facilities and improved school facilities even up until the very recent times.

But I don't think there's much question that all divisions will face the problem that some are grappling with right at the moment at some point in the not too distant future; that is, that they will have to make some of the difficult decisions that emanate from facing a lesser and lesser level of school age population, and I think that now is the time to examine the process or more properly, to give assistance to all of those who will be grappling with the problem, and whose decision it will be to face that problem, give them some assistance, and I'd like to say at the outset, that this Resolution is not meant in any way to embarrass or to

attempt to embarrass the government or the Minister or anybody on the other side of the House.

I would hope that in view of the escalating public debate that's taking place that we, if we were in the position of the government to do something about it, we would come up with a solution or at least an initiative of this sort to assist all local school boards and people as they attempt to grapple with the difficult problem, and by debating it here in the House initially, we can assist the government in its endeavour to help all divisions in their future planning to deal with this very very important problem.

Secondly, I'd like to say, Mr. Speaker, that in no way do I imply criticism of any local school boards in this Resolution. I say that all of them are charged with the responsibility of making decisions on behalf of the people they represent with respect to schools and education in their area, and all of them I believe are attempting to do so to the best of their abilities with the resources available to them and with the assistance of the administrators in their divisions. In no way am I attempting to be critical of any of their efforts in bringing forth this Resolution. In no way am I suggesting that we ought to usurp the authority of those boards to make those decisions that will be necessary in future, as a result of facing the problem of declining school enrolments.

Rather, I suggest that through this Resolution we would support their efforts by bringing to the problem the kinds of background information, the kinds of professional advice and also the input of all of the groups who ought to properly be involved in this whole process when it's faced by any division in the province as it inevitably will be.

At the moment, I see the process as being one that's emotionally charged as small community groups attempt to fight the closure of a school or an alternate programming decision that's made in response to declining enrolment in an area and we see neighbour pitted againt neighbour; we see special interest group pitted against special interest group; we see boards fighting people they represent, and all of these, I think, are not a good thing with respect to the future of our education planning in the province. All of them, I think, are a negative thing and will not result in proper decison making, because I believe that the process of arriving at a decision when faced with a problem of this nature is certainly a political one and it's one that does involve perhaps pressure from some areas, and in some cases I think that when it's made under pressure and with a great deal of emotion on the issue, then perhaps the best decisions are not being made. I think we can all agree that good decisions are never made when there's a gun pointed at somebody's head and they're told that they have to make a decision in a very short time frame and without necessarily all the resources that ought to be at their disposal while they're making their deliberations in arriving at their

So I would like to see through this kind of task force that I'm proposing in the Resolution, Mr. Speaker, an effort to accumulate the kind of background information that should go into the decision making that will occur as a result of declining enrolments.

I'm suggesting that by some co-ordinated effort with the assistance of the Provincial Department of

Education, will ensure that local divisions aren't thrust upon their decisions and asked to reinvent the wheel and find their own response to the kinds of decisions that are commonly facing, or going to be facing, so many others in the same position throughout the province.

I'm suggesting that out of this can come a kind of a blueprint that indicates who should be involved in the decision making; that indicates how the process should take place and that gives people confidence knowing the decisions that will eminate will have a much better chance of being good decisions because they'll be well researched, they'll be well supported by a process that has been evaluated and has evolved as a result of a great deal of input as I say, from those who very properly should be involved in the whole process. So, the resolution mentions those people.

It mentions parents of course, it mentions educators, administrators, local elected officials and through all of these people, hopefully the interests of the children, those school children who we're looking to supply with the very best educational support and educational programming that we can in our public school system in Manitoba.

Mr. Speaker, as things stand today boards are being asked on fairly short notice to make a decision under a great deal of pressure, and the kind of pressure that occurs is because a board is told, perhaps by its administration, that a certain school is projected to have an enrolment level of X by September of this year, which is considered perhaps in their eyes, to be nonviable and therefore it's in the interests of the board to make a decision as to whether or not to close that school right now for next September. It's that kind of short-term view, that kind of ad hoc decisionmaking, that understandably results in a great deal of pressure, a great deal of emotion, a great deal of debate and even worse — and in my view in the great potential — for poor decision-making at the present time.

So let me make it clear that I'm not on any particular side, or taking sides on behalf of any particular group, or a particular dispute that's currently under way in any division. Rather, I'm suggesting that by taking a calm rational objective view that allows for better planning to take place within school divisions we will avoid perhaps, the unpleasant confrontations that have occurred, or are occurring and will continue to occur as long as decisions are made under pressure with emotional community involved people at the heart of a turmoil.

Another thing I'd like to make clear, Mr. Speaker, is that I support the people's right to be heard through this kind of process and hopefully a task force would ensure that the input of all those who have a part to play in the decision in future will be heard. Hopefully the views will be considered when the decisions are made for the future educational needs of our children in this province. I would like to ensure through this kind of recommendation, through this kind of process that as much as possible, all the information necessary and the kind of support that will enable better decision-making is available to those who are facing the decisions.

Mr. Speaker, I think it's incumbent upon the provincial department to go through this kind of process. A

similar thing was done in the Province of Ontario and I also believe that with its constitutional responsibilities, vis-a-vis education, the province is in the ideal position to provide a kind of a co-ordinating function without, as I said previously, usurping the authorities of the local school boards, without ignoring the fact that the Federal Government through its financial contributions is certainly a party to the whole process. But the central co-ordination function that can be provided through the provincial governments area of interests in responsibility is, I think, the one that most properly should be charged with this kind of responsibility that is suggested in the resolution before you.

Mr. Speaker, I've had the opportunity to listen and to speak to people from so many different divisions that I'm convinced that their frustration is with the process, that they're suspicious of motives behind decisions that are made and small decisions lead to larger decisions and overand overagain, people want to know, what is the grand design? What is the blueprint of the backdrop against which they can judge any one particular individual decision? Unfortunately, all too often individual school boards and their administrators are not in a position to tell these people what they can expect in terms of the future planning for their division.

I'm troubled, Mr. Speaker, because in some cases I found that parents have said, well my response to this problem because I can't be sure when a school that's close to me is going to be closed down, or when a decision on programming that will in my view adversely affect my children is going to be made. My response is that I'm now going to enroll my children in private school because I believe that in private school there will be a stability. That private school is likely to have the kinds of programming and the kinds of decision-making that I will support so they feel there will be stability; and secondly, they feel that they will have a greater opportunity to influence the decisionmaking in the private school. I say that's a sad thing, that their response is to withdraw their children from the public eduation system and put them somewhere where they feel there will be more stability and more opportunity to have an input.

Rather I think, that we should be ensuring that there is that kind of stability of decision-making and that kind of confidence in the whole process on behalf of parents and children in our school boards wherever they may be, in our school divisions, when these crunch issues come up to the boards.

So, Mr. Speaker, in concluding, I'd just like to reiterate that this resolution is not meant in any way as a criticism of the government, or in an effort to embarrass anyone in the government, rather to suggest that it's incumbent upon this Legislature through the Department of Education, to provide a forum, to provide a vehicle by which people who arefaced with the problem of declining enrolments can have some confidence in the process that will take place in their division because they've had recommended guidelines, because they've had a whole review made by people who are experts, or people who have views that may coincide with theirs, people who have the kinds of interests in better quality education in all of our divisions throughout the province when they

come forward with recommendations, guidelines to follow, then divisions can have that kind of backdrop that's provided by a task force reviewing the situation; that kind of backdrop upon which to rely when they make their individual decisions.

That's all we can hope for because ultimately the decision will be that of the individual school board, ultimately they will still be charged with making the final decision but they will have the support, the information and the background against which they can make, in my view, a better decision. Thank you very much, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River Fast

MR. PHIL EYLER (River East): Thank you, Mr. Speaker. The Member for Tuxedo has done a very good job at restating a problem which we are all very concerned with. We're all, I'm sure, quite aware that declining enrolment is a major problem these days, there's a waste of physical facilities whenever classrooms are shut down and if ever a school was closed down, the building is, in many cases, lost to public use and it involves the dislocation of neighbourhood children as they are bused to other areas. This is a situation which we do not like to see and I'm sure nobody likes to see. It's a no-win situation where parents are disillusioned, they're dissatisfied, and they have a right to be and yet, financial responsibility seems to dictate that we do something to make the services provided to education financially efficient.

However, Mr. Speaker, when the Member for Tuxedo says that this is a new problem, it's not quite that way. There are two problems here; it's not simply a matter of the baby boom having passed its peak. It's also a matter of changing population patterns. I'm sure that the numerous rural members on the Opposition benches can advise the Member for Tuxedo that rural depopulation has been a major problem in the past. Going back 40 years, there have been closings of rural schools. This is not a new problem although it may be new to the Member for Tuxedo. It is definitely coming to the forefront now in urban politics and that probably explains a lot of the sudden concern on the part of the Member for Tuxedo.

However, there is a certain amount of action which is envisioned by this government in this area. I know that the Member for Tuxedo is offering this advise in a nonpartisan manner and I accept it in that manner; however simply because there is no specific pledge for reviewing this in the Throne Speech does not mean it is not encompassed in our one-year education finance review.

Mr. Speaker, you cannot look at education financing without considering all of the financial problems involved in declining enrolment. We have to look, not only at balancing the busing costversus closing down schools, we have to look at the possibilities of using schools for other community purposes such as adult education or day care; we have to look to the guidance of other jurisdictions as well. Saskatchewan has just completed a study on small schools in rural areas and we will be looking at that I'm sure. To make sure there is equal political consideration, we will also be looking at Ontario's review of depopulation and

declining education enrolments. Mr. Speaker, we are well aware of this problem and I can assure the Member for Tuxedo that this is included implicitly in the one-year education financing reform. It is not something that we can rush into overnight; it's something that is going to take at least a year to set down any sort of procedures which are lasting for several years rather than just one-year ad hoc procedures which we are forced into now.

So, Mr. Speaker, therefore I would move, seconded by the Member for The Pas;

THAT the Resolution of the Honourable Member for Tuxedo be amended to provide that the following words be inserted immediately after the third paragraph:

"AND WHEREAS the Government has announced a one-year review of education finance and such review would necessarily include an examination of the question of declining enrolments"; and

That the words "appoint a task force to study" in the third line of the RESOLVED paragraph be struck out and the word "include" substituted, therefore:

And that the following words be added to the end of the RESOLVED paragraph: "as an integral part of the Government's one-year review of education financing."

### MOTION presented on the Amendment and carried.

MR. SPEAKER: The Honourable Member for Kirkfield Park.

MRS. GERRIE HAMMOND (Kirkfield Park): Mr. Speaker, on dealing with the Resolution, I would like to speak mainly on the part of including parents in any kind of study that is done. As always with education, there are educators, administrators, anyone that has anything to do with education usually have input into this sort of study and the one thing that is lacking in most cases are parents.

The problem of declining enrolment is not new and was felt first in Ontario during the mid'-70s, as well as I'm sure the rural area has been feeling declining enrolment and they have been consolidating schools. As a result, the Province of Ontario commissioned a study which was completed on October 15th, '78 and it was titled, "Implications of Declining Enrolment for the Schools of Ontario; A Statement of Effects and Solutions." The approach followed by a number of Ontario School Boards was evaluated.

Mr. Speaker, in my speech on the Throne, I mentioned that neighbourhood schools are an important part of Kirkfield Park. I mentioned the green space, the community, and that we had one of the fastest decline in the province, so I've been right in the middle of a controversy on declining enrolment and the closure of schools and have seen the frustration of parents when it comes to declining enrolment. In fact, the Minister will know I approached her with a number of my constituents on this very fact asking for some sort of guidelines for school board to follow, because they're having as much problem as anyone with this problem.

The Minister, in reply to a question during question period about declining enrolment, said that we are going to support schools that are declining in enrol-

ment, that are becoming small schools; we are going to give them additional financial support. But I think the most important thing that they are going have to make happen are decisions. Then she went on to say that specifically we will be developing a procedure for the involvement of parents and the community.

In the Minister's speech she also mentioned the strengthening and support of our families goes handin-hand with the building and strengthening of neighborhoods and the people must be involved in the building and part of the decisions that will be made about their lives; that is very important to all of us. It doesn't matter what kind of a community we come from, whether we feel it's underpriviledged, average, maybe in some cases over-priviledged. In my case, I feel that I come from a very average community that has the same concerns as people, whether they are in the rural area, whether they are in the core are; it doesn't matter. The problems to them are the same; they're parents and they have children and their concerns are all the same; they may have to deal with them in a different manner.

But, nowhere do I hear in any of this, other than in this Resoloution, of parents are the most affected by any policy. Parents are becoming so frustrated that they are threatening to take school boards to court. This is a very sad commentary on life today because most of these parents were very vocal and helpful in supporting the very trustees they are now trying to take to court and no one wants this type of thing. They really do need some type of guidance on this.

Mr. Speaker, one person in a Letter to the Editor started off by saying: The ongoing saga of dissatisfied parents contesting with their elected officials is a tragic example of a belief that an election of people to public office, coincidentally confers infallibility upon the elected. When politicians are running for office it's not unusual to hear them talk about public input into decision-making, grassroots involvement, and other catchy phrases, which leave the impression that they really want to hear from the people who elect them in order to better represent public opinion.

Well, Mr. Speaker, I do believe this and I think that people really do want to have an input into this and no better place than in declining enrolment because, let me tell you, parents who have been involved, they know more about education at the grassroots level than the educators do. They know what they are talking about when they are talking about their children and so often people forget to ask the very people who can tell you and give you an honest guideline into what their children need, what the parent's feel they need. I think that's very important, not just what educators think that they need, but, I think what parents feel that they need.

Going back to the Ontario study. Throughout the report emphasis is placed on closure of a school as a last resort, because when it comes down to declining enrolment this is what basically people are looking at, is closure of a school. And they, quite frankly, quake in their boots because when someone looks at consolidation they know darn well that one of their schools are going to be affected and then this comes to be a very personal thing. That's why people get so terribly involved and so frustrated and so angry because you are talking what is nearest and dearest to them, their

children, their homes, their communities.

The Ontario study went on to say: Closure has been described as a very complex issue. The decision to close a school is sometimes too hastily conceived and later regretted. Even in cases where savings have been realized, it is recognized that cost is not the sole issue but that economic concept must be balanced against safety factors, quality of educational experience, impact on the community neighbourhood.

I would like to mention safety factors and from my area alone we're talking about children possibly from Kindergarten to Grade 3. It's dark early in the morning, it's dark early in the evening. If a child doesn't arrive home when he's been moved in a distance that possibly he can still walk, then this is a very big worry for the parent because he's out of the community. They don't know those parents, they don't know who to contact the same and this creates a bit of a panic; so this is one big thing. My area is an urban area of Bays. There are no sidewalks, literally; children in the winter are forced to walk on the roads. This has got to be a big concern when you're talking about Kindergarten children - Kindergarten to Grade 3. No one minds if their high school children have to move or junior high; it's not as big a problem. It is a fact that - going on with the study - it's a fact that the small local school represents the centre for community vitality, pride and neighborhood identification. A decision to close can have long-term effects on the cohesive fabric of a neighborhood.

I'd like to mention also the question of property devaluation arises. Mr. Speaker, often when people talk about real estate values, it's often treated as though the taxpayers been selfish even mentioning it. Well, with most of us, our homes are the only thing we have for an investment. This is our money that we have put into it and so to treat real estate values lightly is really treating people's very investment, their whole thing that they have in their hand, and I think it can't be overlooked because it is a very important factor. They have a right to be concerned about that sort of treatment.

As far as the task force itself is concerned, I think that we really do need to have that kind of input and, to say that you can't start something for a year, doesn't make any sense because these are the very people that can start working on it now and within a year possibly bring back a solution. I don't know that we can afford to wait any longer.

If the school building is sold, after closure, these are other concerns; will the gym be available to them; will the green space still be there? When someone builds a home shouldn't the green space still be there, something that they maybe bought their home for; they like this area. I think they have every right to have that looked on as a concern.

Parents today can't be sure where to send their children to school because if one school closes in an area where there are a number of elementary schools and because we had a great amount of schools being built that some areas do have a number of schools, and they're not sure now where do they send their children? Do they send them to school A, school B, school C? Which is still going to be viable? Are they going to have to go through this very thing again? There is just so many things that have to be looked at.

I know that in spite of the confrontation between boards and parents, they both want the same thing, and that's a good quality of education for all the children involved. They don't mind combined classes in most cases, where it might be two grades. It's not the best, but they're willing to accept it. But when you're considering combining three classes, they're not quite ready, certainly in the city, they're not prepared to go to the one-room school house. And I think that that has to be a consideration, that the use of itinerant teachers I think must be considered.

Parents came up, in our area, with so many innovative ideas to try with schools. And it's a very hard thing to get away from when you're dealing possibly with educators who want to go strictly by the book. The question is, how to deliver programs to small schools. I don't feel that big is necessarily better. I really do feel that in our division, particularly in St. James the majority of the schools are going to be small. I'm sure this is going to hit every division. And I think that programs must be found.

I agree with the Member for River East that day care is a wonderful spot to have in schools. The noon and after school program, this is great for schools. We need to be putting adult education into schools. I want to say that there are so many programs, and I know in our division that we have adult education during the day, and this is a great thing because many, many women are wanting to go back to school, and not only does it help the community, the parent is right there, they're right with their children in the school.

There are a lot of innovative things that we can be looking at, and I think parents are probably the best route to get good ideas, but to hear what's happening right from the home, because I think that's what counts. We talk a lot about families but it's very much lip service. And I think it's time that we as a government, as part of the legislative Assembly, I think we all want the same thing: we want good-quality education, we want our children to have a productive life, and that comes from education. And we want them to want to continue on, but we don't want to spoil the community at the same time. I really feel very strongly, that to wait one year to start something is a big mistake. I think we should be starting right now, and involving the parents, the educators, the teachers, and residents who haven't got children in school. Senior citizens probably have a lot to add, and probably could give a lot to our schools in the way of being volunteers. I think that there's a lot that could be done and this resolution or the, certainly we do need a task force of some kind.

**MR. SPEAKER:** The Honourable Minister of Education.

MS. MAUREEN HEMPHILL (Logan): Mr. Speaker, I think the first thing that I want to do is say how absolutely delighted I am to hear the members opposite, and individuals, standing up and supporting what I have been saying as loudly and as clearly as I can say it to everybody that I have been speaking to out in the field since we took office four months ago. I think my first speech was made two days after we took office, Mr. Speaker, and my guess is that I have spoken to

absolutely every major educational organization in the Province of Manitoba, to school boards, to parents. My most recent speech was delivered to the school trustees of Manitoba, 350 of them out in Brandon two days ago, where this subject was a major issue of my talk to them.

I also appreciate and believe that everybody has recognized that this issue is a vitally important, emotional issue to all the parents in Manitoba, and that we're not looking to make political hay out of it we're looking to find ways to deal with it, to avoid confrontation between school boards and people in the community, but to not waste time when we're doing it, Mr. Speaker, because the concerns that they have raised cannot afford a year for a task force. I quite agree with the member when she said we've got to get on with it, the time has come. A task force, a review would take a year, and in the meantime we are being threatened with school closures monthly. I think that we have to show leadership and direction, and support for parents and school divisions that are facing this issue.

One of the reasons that I want to explain, one of the reasons that we don't need a task force, Mr. Speaker, is because we have already virtually done it. In fact, the former government has a report May, 1979, "Declining Enrolment in Manitoba Public Schools, Issues and Information." And they have asked all of the right questions, and they have as much information as is needed in here and in other information that we have, so that we have the information about the problem. We already know, Mr. Speaker, that the decliningenrolment problem has been with us for five or six years. We also know, Mr. Speaker, that the crunch years came in 1978 and 1979, and that in the last four years Manitoba has lost 17,000 students, and we have closed over 60 of our small schools, and we have an additional 100 schools that have come into or reached the small-school category. So what we have is a situation where as the declining-enrolment population increases across the province, more and more of our schools are being threatened because of their size.

We know all this, and we know that the additional factor that is causing the question of closure of schools is the question of the expansion of the bilingual program. In other words when I came into office, on my second day I had established as the major critical issue facing the education system in the next decade, the combination of declining enrolment, large numbers of small schools in Manitoba, and expansion of the bilingual program. And to be fair to everybody we must see these as it's a combination of the three of them together that is hitting school boards and causing such difficult decisions that have to be made these days; it's the combination of the three of them and the increase in French programs has been coming since 1977-78.

We've had increases of 40 percent, 37 percent, 40 percent every year, so we've known, Mr. Speaker, that the decline — 1982 is the crunch year. We're in the middle of our crunch year and the decline is going to decline, so that it's time for action, Mr. Speaker. We have to not study something to death that has been going on for six years, that we already have sufficient information about the problem. We have to decide together what we're going to do about it and, when we're deciding what to do about it, we have to look at

the role of the Department of Education, the role of government, the role and the responsibility of school trustees and the role and responsibility and rights of parents and teachers.

What I'm pleased to be able to tell you is that we have (1) recognized problem, Mr. Speaker; and we have been moving on all these fronts in the four months since we took office. First of all, the Educational Support Program that was brought in for a three-year period, during the time when we knew the declining enrolment issue was going to be critical in this year, there was nothing in it to give help to boards; there was no help in the three-year Educational Support Program to give help to school boards for small schools or to deal with the declining enrolment issue. Mr. Speaker, we took this initial budget year; we gave supplemental grants to disadvantaged schools so that it will help them with problems like this and we have further communicated that we are giving financial support to small schools; and that information will be coming out in our Estimates process.

But I quite agree that there's more to this issue than money. What I have been telling everybody, particularly to the school boards, and I want to be fair to them too, is that it is the process that is a critical issue; it is how these decisions are made and who makes them that is the number one issue that we have to deal with.

What I have indicated is that we are moving on all fronts. This is not something that's going to be solved by money alone; it's not something that's going to be solved by policies or programs or by the Minister of Education or by the parents or the school boards; it's something that's going to be solved by all of us working together. We have to figure out the procedures and the process that will allow that to happen, Mr. Speaker, because to date the name of the game, it's been a very narrow game and school boards have been playing it under the existing rules that have existed for the last five years and that was: (I) to consider quality of education; (2) to consider educational costs. What we are finding, what we know from the communication and the strong feelings that are coming out from the community, is that there is more to it than that.

In other words, schools are more important than just the delivery of the educational system to the children. Schools are important to the stability of the neighbourhood. And what we have to say to school boards is that you were making your decisions based on those narrow rules, but now it is clear that during these times of difficult social upheaval and pressure on the family unit, that where the education system is making decisions that have an affect on other than the education system, they must take those other factors into consideration. The other factors are: What happens to the life of a community and a neighbourhood when a school dies? Because we know that when the school dies and the school goes, so goes the neighbourhood and the parents know that too and that is why they are fighting so hard. I think they should be; I think they have a right to and we are not saying that parents should be making these decisions, nor was the member opposite. What I have been saying is that the knowledge, and the information of the professionals, the teachers, the educators, about quality of program is very important and must

be taken into consideration; that what information the administration can give us on enrolment projections and costs to the education system is very important. But also what is very important and must be valued at an equal level is what the parents feel, what the community feels, and what their attitudes and values are related to that school.

I am suggesting exactly what you were suggesting and that is that we bring in a program with several parts to it, not just throw money at it because that is not going to get at the question of how these decisions are made. Besides, we haven't got enough money to solve all the problems; we all know that. The program will give some support to small schools, additional support for resources and people because we know that they are deficient in those areas; but apart from that, we will bring in, as I suggested, a criteria that broadens the things to look at, to value, when we're looking at school closure. Included in the quality of educational program will be the effect on the stability of the neighbourhood.

Probably most important of all, Mr. Speaker, is the question of parental involvement and that we all recognize how difficult these decisions are. Whoever is responsible for making them has tough, tough decisions to make during a very difficult time. The school board presently has the authority under 119 of the Public Schools Act to make those decisions. I support that, and so does the Member opposite from Tuxedo. He said he was not criticizing school boards, nor was he suggesting that we take away their rights to make those decisions; and I agree with that. But, at the same time, we want to say that we want a procedure and, where we're facing critical questions like school closure, we want the involvement of the parents and the people and the members of the community that are going to be affected.

I agree also that parents have very good ideas and that they are the onesthat really knowabout the affect of what is happening on their schools. Where they say this is not just an urban problem; it's a northern problem; it's a rural problem. I've had school boards in my office telling me that they are fighting desperately to get good programs in their school divisions, get vocational programs in their school divisions, so they don't lose children because they know that if they lose their children they lose their schools; they lose their communities. If kids go into the city to go to school, the fact of the matter is, Mr. Speaker, they often do not return. It is very important that those schools be maintained and supported and provide as good a program as we can help them provide for their children in their own community so they are not forced to go outside.

Mr. Speaker, I think I have identified a number of responses to the problem and it is not one of studying a critical problem that is on our doorstep today gathering information that we in fact already have. We do not need any information. We need programs. We need policies and we need changes in the educational support program that is in place not only for this year but next year, that does nothing to take into consideration the critical issue facing us. So my department has outlined I think a very complete attack and program on this issue that looks at the role of the department so we are indeed providing leadership and resource help and information. These statistics, Mr.

Speaker, gathered by the -(Interjection)— what does that mean?

MR. SPEAKER: You have five minutes of your time remaining.

MRS. HEMPHILL: I have five minutes of my time remaining. Thank you. I'll have to learn what these things mean.

The information that was gathered, it says here during 1978 the department undertook to examine the implications of the declining enrolment phenomenon for the school systems of the province, during 1978. It's a very complete report, we studied it to death. Not only did we study it, Mr. Speaker, at the end of the study they held a seminar and the seminar brought in everybody, teacher's society, trustees, all of the institutions and organizations to look at the information that they had gathered for over a year.

It says, "The problem of school system financing raised in relation to declining enrolment appears to be associated with broader issues of school finance which must be dealt with in the overall context of provincial priorities for public finance." This is in 1978. They brought in a New Educational Support Program in 1980 that did absoloutely nothing to take the information and the recommendations from this report into consideration when they developed their new program.

The critical issue of consolidation, Mr. Speaker, here is the question they raise here. Will the centralization of schools and the consolidation of school systems continue? Are there limits which can or should be placed on centralization and consolidation? Does available evidence support the arguments which have traditionally been made for centralization and consolidation, or are there costs associated with centralization and consoloditation which have not been taken into account and should be? Well there are, and you guys recognized that in 1978. You did nothing to bring in a program to support small schools; nothing to look at the issue of changing your Educational Support Program and nothing in terms of policies that would include parents in the decisionmaking process on these critical issues that were fac-

So, Mr. Speaker, just to sum up I think I want to say I believe we all recognize the issue; that we have all the information that we need to deal with it and that my government has instituted and brought in a consistent total package of program, of policies, financing and procedures that will address the problem and we don't need to wait a year, we can get on with the job now.

MR. SPEAKER: The time being 5:30 when we next reach this matter, the Honourable Minister will have three minutes remaining, on the understanding that the House will reconvene into Private Member's Hour this evening.

The Honourable Member for Roblin-Russell.

MR. McKENZIE: Mr. Speaker, before the House adjourns, on page 489 of Hansard, the Chairman has introduced me on resoloution 5.(b)(1) and then Hansard shows the Honourable Member for Minne-

dosa as the one who spoke. I would like to have it corrected please.

**MR. SPEAKER:** I thank the honourable member. The Honourable Member for Springfield.

MR. ANDY ANSTETT (Springfield): Mr. Speaker, if we have unanimous consent, I would propose that we may proceed the way we have in the past and adjourn the House at this point to resume in Committee of Supply without asking the Speaker to come back this evening.

MR. SPEAKER: That is agreed on the understanding that the members will reconvene in Committee at 8:00 p.m. this evening. The House is adjourned and will stand adjourned until 2:00 p.m. tomorrow afternoon. (Tuesday)